

Japanese Perceptions of APEC

by

Megan Douglas

A sub-thesis submitted in partial fulfilment of the requirements for the degree
of

Master of Arts (Asian Studies)

at

The Australian National University

Megan Douglas

9350120

28 February 1997

Abstract

The Asia Pacific Economic Cooperation (APEC) forum is one of the most significant region-wide initiatives seen in recent times. Japan has played a significant role in its establishment, yet ironically, has spent half of APEC's existence apparently disinterested. The purpose of this thesis is to attempt to understand how the Japanese view APEC, and seeks to find the motivating factors for Japan's involvement in APEC from a Japanese point of view.

The thesis argues that although APEC is primarily seen as a vehicle for implementing regional trade liberalisation, it has also provided Japan with a convenient platform to promote its foreign policy. Japan's major foreign policy initiatives focus on Asian relations, US relations and internationalisation. This regional economic forum is seen in some circles as useful in promoting both Asian and US relations, and in Japan's attempts to improve its political legitimacy worldwide.

The Japanese government and business conglomerates, that once viewed Asia as a springboard to the West, now see Asia as central to their future. APEC fits into Japan's Asia policy by serving to improve its relations with Asia. The frequent meetings with Asia Pacific nations, the equitable nature of APEC, and the consensus-based decision making process, provide Japan with a forum to portray a cooperative, non-aggressive leadership style. APEC is especially important, because it enables Asian leaders to meet and discuss regional economics, but also allows for discussion of political and strategic issues.

Although at times volatile, the US-Japan relationship is one of the most important bilateral relationships in the world, and the Japanese government seeks to maintain that significance. APEC can play a part in this endeavour by helping to maintain US

interest in the Asia Pacific region. The diverse membership of APEC, as well as the economic benefits, act as a carrot to US involvement. From Japan's perspective, APEC helps to contain a large and lucrative market for the export of Asian goods, but also serves to minimise any US tendency towards trade protectionism or unilateralism. Engaging the USA economically in the region also guarantees a US military presence in the Asia Pacific. It is widely recognised in Japan and Asia that the USA provides a stabilising influence in a potentially explosive region.

Japan's commitment to globalisation translates easily into support for a forum like APEC. APEC, although regional and trade-focused, acts as a platform on which Japan can promote its cooperative and leadership skills. Since the end of the Cold War, the Japanese government appears more willing to elevate itself from the status of a regional power to one of global political force. A greater emphasis on global political leadership, commensurate with its economic power, has led to a particular interest in assuming senior positions in large multilateral organisations. While APEC is not of this scale, Japanese actions within the regional forum may be considered a preview to Japanese responses to greater global responsibilities.

It is important to keep the relative significance of APEC to Japan in perspective. It is a regional trade forum that makes up one aspect of Japanese foreign policy. Nevertheless, APEC is currently valued by the Japanese government for the support it gives to Japan's foreign policy strategies for the future.

Purpose:

This sub-thesis is submitted to partially satisfy the requirements of the Degree of Master of Arts (Asian Studies) at The Australian National University.

DECLARATION:

I certify that this thesis does not incorporate without acknowledgment any material previously submitted for a degree or diploma in any university; and to the best of my knowledge does not contain any material previously published or written by another person where due reference is not made in the text.

A handwritten signature in black ink, appearing to read 'Megan Douglas', with a stylized, cursive script.

Megan Douglas

28 February 1997

Acknowledgments

The assistance given by the Department of Defence, in terms of time and financial support, was invaluable in completing this thesis. I would like to thank the Department, and hope that my efforts will inspire others in continuing studies.

Sincere thanks are due to my supervisor Dr Morris Low, a Research Fellow in the Division of Pacific and Asian History, Research School of Pacific and Asian Studies, The Australian National University. He had a remarkable knack of keeping me on track and on time. The guidance of Professor Tessa Morris-Suzuki, ANU, throughout my Master's program was also appreciated. Thanks go to Toshio Takagi at the Menzies Library, ANU, for forwarding many articles on APEC, and to Marilyn Popp at the AJRC for providing relevant papers. I thank fellow student, Yasuko Shin, for providing some useful linguistic insight to newspaper headlines. The computer-dexterity of my husband, Dean McIntyre, and his patience especially during the last weeks of this project, is thankfully acknowledged, and will never be forgotten. Thanks also to many family members, friends and colleagues who showed interest in my work; with a special mention to my parents for some last-minute research in Melbourne.

TABLE OF CONTENTS

Abstract.....	ii
DECLARATION:.....	iv
Acknowledgments.....	v
A Note on Conventions.....	viii
Abbreviations	ix
Chapter 1. Introduction.....	1
Significance of Study	1
Asia Pacific Economic Cooperation	2
<i>Liberalisation</i>	5
<i>Facilitation</i>	6
<i>Cooperation/Development</i>	6
Aims and Objectives.....	6
Structure of Thesis	7
<i>The Data</i>	8
Foreign Policy.....	12
<i>Japan-Asia Relations</i>	15
<i>Japan-US Relations</i>	17
<i>Japan and the World</i>	19
Chapter 2. Japan and Asia: The Legacies of History.....	21
Japan's History of 'Asianism'	21
Contemporary Trade Ties with Asia.....	28
Japan and Asia in the Changing International Arena	32
Conclusion.....	33
Chapter 3. Japan and Asia: The APEC Future.....	35
Economic Pragmatism.....	36
<i>Shocking Bogor</i>	37
<i>Courageous Osaka</i>	39
<i>APEC Membership</i>	40
Improving Asian Relations	42
Leadership and Bridging.....	46
<i>Leadership</i>	47
<i>Bridging</i>	52
Regional Security	56
<i>Asian Insistence on an American Presence</i>	56
<i>The Importance of China</i>	57
Conclusion.....	60
Chapter 4. Japan and the USA	63
Foreign Policy - Japan's Western Identity.....	64
An Historical Perspective.....	65
Present-Day Relations.....	67
APEC, Japan & the USA	70
<i>Economic Pragmatism</i>	72
<i>Fear of Protectionism</i>	76
Regional Security	78

Japan, Asia and the USA: Australia as a Bridge	82
Conclusion.....	84
Chapter 5. Japan and the World.....	87
Globalisation of Trade	89
Fear of Protectionism	90
Global Leadership: An APEC Platform	92
Global Security	94
Where does APEC Fit in Japan's Globalisation?	95
Conclusion.....	97
Chapter 6. Conclusion	99
Appendix A: A Chronology of Japanese History and APEC.....	103
Appendix B: Graphs.....	105
Appendix C: Article Titles from Surveyed Journals.....	110
The Nikkei Weekly	110
The Japan Times (Bound Volume)	116
Gaikō Forum	127
Shūkan Tōyō Keizai.....	131
References.....	134

A Note on Conventions

Throughout the text of the thesis Japanese personal names are written in the Japanese order; that is, with the surname followed by the given name. In the footnotes however, all first names precede surnames. Also, where Japanese names are well known internationally, names are written in the text with the given name preceding the surname. Japanese words in the thesis are romanised according to Kenkyusha's Japanese-English Dictionary, with a macron mark indicating a long vowel sound. However, Japanese words that commonly appear in English, such as Tokyo and Osaka, appear without a macron. Australian spelling, according to the *Macquarie Dictionary*, is used, with the exception of quotations from American sources, where the original spelling is used. China is used in place of the People's Republic of China, South Korea in place of the Republic of Korea, and North Korea for the Democratic Peoples Republic of Korea. I have chosen not to hyphenate 'Asia Pacific'.

Abbreviations

AFTA	ASEAN Free Trade Area
AJRC	Australia-Japan Research Centre
ANU	Australian National University
APEC	Asia Pacific Economic Cooperation
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
ASEM	Asia-Europe Meeting
CER	Australian-New Zealand Closer Economic Relationship
EAEC	East Asian Economic Caucus
EAEG	East Asian Economic Group
EC	European Community
EPG	Eminent Persons Group
ESCAP	Economic and Social Commission for Asia and Pacific
EU	European Union
FDI	Foreign Direct Investment
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GNP	Gross National Product
MITI	Ministry of International Trade and Industry
IAPs	Individual Action Plans
MOFA	Ministry of Foreign Affairs, Japan
MOSS	Market Oriented, Sector Specific
NAFTA	North American Free Trade Area
NICs	Newly Industrialising Countries
ODA	Overseas Development Aid
OECD	Organisation for Economic Cooperation and Development
PAFTAD	Pacific Trade and Development Conferences
PBEC	Pacific Basin Economic Committee
PECC	Pacific Economic Cooperation Council
PFP	Partners for Progress
RTAs	Regional Trading Arrangements
SII	Structural Impediments Initiatives
UN	United Nations
UNSC	United Nations Security Council
USA	United States of America
VERs	Voluntary Export Restraints
VIEs	Voluntary Import Expansion
WTO	World Trade Organisation
WWII	World War II

Chapter 1. Introduction

...as yet there is no such thing as an APEC spirit. The members have entered into a marriage of convenience; love - if it is to come at all - lies in the future.¹

Nukazawa Kazuo

The Asia Pacific Economic Cooperation (APEC) forum is one of the most significant region-wide initiatives seen in recent times. Japan has played a significant role in its establishment, yet ironically, has spent half of APEC's existence apparently disinterested. The purpose of this thesis is to attempt to understand how the Japanese view APEC. This thesis seeks to investigate the motivating factors in Japan's involvement in APEC from a Japanese point of view. It argues that, although APEC is primarily seen as a vehicle for implementing regional trade liberalisation, it may also provide Japan with benefits in diplomacy, politics and security. In 1994, one Japanese commentator wrote that each country has its own agenda for regional groupings. However, he believed that Japan had no clear strategy in terms of its global and regional standing, or the direction it will take as the twenty-first century approaches.² An investigation of Japanese perceptions of APEC could help provide us with an understanding of Japan's strategy for the future.

Significance of Study

Not everyone views APEC in the same light. Reporting and discussion of APEC has mostly assumed that APEC is viewed by all of its members as a vehicle for

¹ Kazuo Nukazawa, 'APEC: A Body in Search of a Spirit', *Japan Review of International Affairs*, Vol.9, no. 3 (Summer, 1995), pp. 212-216, esp. p. 214.

² Ichikawa Amane, 'Nihon ni APEC was fuyō da' ('APEC is unnecessary for Japan'), *Shūkan Tōyō Keizai*, 12 November 1994, pp. 96-99.

trade and investment liberalisation, facilitation and cooperation. This is not necessarily the case. As one Japanese academic has written, 'APEC is a marriage of convenience'.³ Each member nation may have a different agenda for APEC, in line with its needs in the regional and international arena. The ability to recognise the agenda that each member has for APEC may make for greater understanding of each economy's policy outcomes, international negotiations and the general decision making process.

Asia Pacific Economic Cooperation

Since the end of the Cold War in 1989 there has been a shift towards regional economic interdependence based on regional proximity and more pragmatic, multilateral factors, and away from global alignments based primarily on ideological, security and economic factors. Economies, rather than nations, are becoming integrated through expanding trade, investment and technological transfers. Although the concept of regional institution building is not new, with the General Agreement on Tariffs and Trade (GATT) dating back to the 1940s,⁴ the European Community (EC) from the 1960s,⁵ and the Association of South East Asian Nations (ASEAN) from 1967, there has been a significant rise in regional trade arrangements (RTAs). Possibly the most significant of recent regional initiatives in the post-Cold War era is the APEC forum.⁶ APEC, officially launched in Canberra, Australia, during 1989, evolved from the work of the Pacific Economic Cooperation Council (PECC) which began in 1980.⁷ Both PECC and APEC were designed to improve information about trade and investment in the region, with working groups

³ Kazuo Nukazawa, 'APEC: A Body in Search of a Spirit', p. 214.

⁴ GATT was made defunct in 1994 and was replaced with the World Trade Organisation (WTO).

⁵ Now known as the European Union (EU), which includes the United Kingdom. While the EU is an example of regional economic cooperation, it is also the best known example of a discriminatory trading arrangement.

⁶ Andrew Elek, *Pacific Economic Co-Operation: Policy Choices for the 1990s*, (Jakarta: Centre for Strategic and International Studies, 1992), p. 11.

set up to identify common regional economic interests, such as trade policy, human resource development, technology transfer, energy and the environment, and telecommunications.⁸ Today APEC has eighteen member economies⁹ with a combined Gross National Product (GNP) of US\$13 trillion in 1994, which is equivalent to about half the world's total annual output.¹⁰

One of the preconditions for the establishment of APEC has been the economic development of the Asian region. The region has enjoyed its highest levels of economic prosperity since the end of World War II (WWII), mostly thanks to the GATT-based system.¹¹ Prior to WWII, trade was distorted by protectionism and discriminatory trading blocs, which negatively affected economies of developing nations. While the GATT-based system may be deficient in several important respects, it is built on the fundamental international view that global welfare is likely to improve if all economies conduct trade in line with their evolving comparative advantage.¹² It is believed that to achieve this, partners for trade or investment should be chosen on commercial grounds, rather than according to government

⁷ Andrew Elek, *Pacific Economic Co-Operation*, p. 11.

⁸ In 1989 when the twelve members of APEC came together, they determined that there were six major areas that required addressing in the economic and political landscape. These included: completion of the stalled Uruguay Round of GATT and encouraging a global trading system; discouragement of the formation of regional blocs, especially in Europe and North America, but also potentially in East Asia; defusion of the bilateral US-Japan trade friction, which threatened to disrupt economic and political stability; engaging China, an emerging economic power, as a productive member of the Asia Pacific; use of APEC to retain US commitment to the region; and more discussion of political issues in the APEC region.

⁹ The members are the Association of South East Asian Nations (ASEAN) (Brunei, Indonesia, Malaysia, Singapore and the Philippines), Australia, Canada, Chile, China, Hong Kong, Japan, Republic of Korea, Mexico, New Zealand, Papua New Guinea, 'Chinese Taipei' (Taiwan) and the USA.

¹⁰ *Asia-Pacific Economic Cooperation 1996*, (Singapore: APEC Secretariat, 1996).

¹¹ Andrew Elek, 'An open economic association in the Asia Pacific: a conceptual framework for Asia Pacific Economic Cooperation', paper read at 'Australian, Indonesian and Japanese Approaches Towards APEC' symposium, Australia-Japan Research Centre, September 1994, p. 4.

¹² Andrew Elek, 'An open economic association in the Asia Pacific', p. 4.

policies that seek to discriminate.¹³ Intellectual and political leadership in the USA can also take some credit for the survival of this relatively open multilateral trade environment since WWII, thanks to the advocacy of non-discrimination in trade, embodied in the Atlantic Charter. The Atlantic Charter of the 1940s played a large part in establishing the post-war economic order, in avoiding trade discrimination.¹⁴ It is more recently that US capacity and interest in defending the multilateral system has dwindled, leaving the Asia Pacific with the challenge of defending the principles which have made its success possible.¹⁵

In a climate moving towards economic interdependence and regional prosperity, APEC emerged with the goal of developing and maintaining prosperity and integration in the region and strengthening the international trading system. This is in line with the forces of East Asian industrialisation, which rely on the opportunity for the region to catch up with the rest of the developed world, and to have equal access to international markets.¹⁶ To achieve this goal, the governments of APEC members have made a joint decision to reduce impediments to international economic transactions within the region, without creating any new, artificial distinctions between APEC and other economies, and avoiding any new forms of discrimination.¹⁷ Reform of the region's economies and government regulations is also required to transform the region into a fully integrated unit. These two issues were identified by the APEC members as conditions for successful Asia Pacific cooperation, and were subsequently detailed as the essential points of the Bogor Declaration on free trade and investment at a conference in Indonesia in 1994. The

¹³ This basic principle of non-discrimination is embodied in Article I of the GATT Agreement. Andrew Elek, 'An open economic association in the Asia Pacific', p. 4.

¹⁴ Peter Drysdale, 'The APEC Initiative: maintaining the momentum in Manila', *The Asia-Pacific Magazine*, May 1996, p. 45.

¹⁵ Andrew Elek, 'An open economic association in the Asia Pacific', p. 5.

¹⁶ Peter Drysdale, 'The APEC Initiative: maintaining the momentum in Manila', p. 45.

¹⁷ Andrew Elek, 'An open economic association in the Asia Pacific', p. 20.

Bogor Declaration saw the APEC members agree that developed APEC economies would strive to achieve free trade and investment by no later than 2010, and the developing economies by 2020.

The first three leaders' summit meetings have set the basic direction of the APEC forum. In 1993, in Seattle, APEC was seen as 'a community of Asia Pacific economies' and, in Bogor, the leaders set its agenda as 'a balanced package of trade liberalization, facilitation, and technical cooperation'.¹⁸ The Action Agenda for implementing the Bogor Declaration was adopted by consensus at the Osaka meeting in 1995. The focus on trade liberalisation, facilitation, and cooperation is central to APEC. For the purposes of this thesis, they will be referred to as the three pillars of APEC. A definition of these objectives follows:

Liberalisation

The APEC goal of a completely open market can be best described as aspiring to a market economy. It means the removal of all protective regulations, and practices that rig the market or bar new entries. The members of APEC are at varying stages of development and have differing levels of trade restrictions. They share in common, however, the knowledge that liberalisation of impediments to trade will increase their industries' competitiveness in the world market. Individual members will set their own APEC liberalisation programs voluntarily and implement them on a most-favoured-nation basis, in line with GATT/World Trade Organisation (WTO) rules.¹⁹

¹⁸ Ippei Yamazawa, 'Implementing the APEC Bogor Declaration', *Japan Review of International Affairs*, Vol. 9, no. 3, (Summer, 1995), pp. 178-188, esp. p. 178.

¹⁹ Ippei Yamazawa, 'Implementing the APEC Bogor Declaration', pp. 181-83.

Facilitation

The term 'facilitation' is interpreted in a very broad sense by APEC economies. Facilitation is generally used to describe the way in which impediments to trade can be eliminated. These impediments may not only be in the form of tariffs and quotas, but in transaction costs imposed on infrastructure problems, and in wide divergences in domestic regulations and administrative procedures that create difficulties or increase costs for trade, investment and other economic transactions. For example, realising the Bogor agreement goal may be facilitated by the adoption of an APEC code of practice for the settlement of disputes, setting intra-regional standards or, increasing compatibility in administrative procedures, transportation, telecommunications, and professional qualifications. Intra-regional travel may also be facilitated with the use of 'smart card' passports and visa-free short term travel.²⁰

Cooperation/Development

Considering the vast differences in the stages of development, level of technology and managerial and administrative capability across the Asia Pacific region, some assistance may be required to maintain the momentum of development of Asia Pacific economies. Neither liberalisation nor facilitation programs can be implemented effectively without complementary development programs. Such development programs might include the development of public infrastructure in transportation, telecommunications and public utilities. There is also room for the development of human resources, technical and financial cooperation, and the environment and energy.²¹

Aims and Objectives

The APEC forum is in its infancy, and writing on or discussion of, this forum is relatively limited. The focus has generally been on APEC's objectives, its pros and

²⁰ Ippei Yamazawa, 'Implementing the APEC Bogor Declaration', pp. 183-86.

cons, and its progress or potential success or failure. This thesis attempts to uncover the perceptions of APEC entertained by the Japanese at a variety of levels. This is not an evaluation of APEC and, as such, there is little commentary on whether APEC is good or bad. Rather it considers what some schools of Japanese thought think of an existing forum, and seeks to evaluate why and how Japan has adopted APEC. On the surface, Japan has appeared to waiver between strong support and indifference for APEC. APEC objectives promote trade and investment liberalisation, facilitation and cooperation. The motives behind Japan's support for these three objectives and the forum itself may provide us with a useful gauge with which to determine Japan's intentions and future. It may throw light on Japan's economic strategies in an age of globalisation, as well as foreign and defence policy directions.

The thesis endeavours to determine Japanese perceptions mostly through Japanese sources: Japanese and English-language publications, including newspapers, journals, and monographs, as well as some interviews and correspondence. The data provides only a limited sample, and therefore the results cannot be considered conclusive of all Japanese thought. Nevertheless, it may throw some light on the motivations behind Japan's role in APEC.

Structure of Thesis

This thesis is structured according to the three pillars of Japanese foreign policy. That is, the Asia-Japan relationship, the US-Japan relationship and Japan's relations with the world, including its role in international and multilateral fora.

²¹ Ippei Yamazawa, 'Implementing the APEC Bogor Declaration', pp. 186-88.

The Data

After briefly surveying Japan's historical and contemporary relations with Asia, the USA, and, the rest of the world, I will trace the development of APEC and, at the same time, analyse Japanese perceptions of the forum. Data based on publications, print media and personal interviews will be used to consider how Japan's relations with Asia, the USA, and the world, have shaped Japan's involvement with APEC. Asia's recent emergence as a major economic force, its historical, cultural and geographic links with Japan, and the legacy of Japan's aggression in Asia are major points of interest. Other topics will include: Japan's leadership in the Asian region; American assistance in moving post-war Japan from a developing country to a major industrial nation; US-Japan trade conflicts; the change in the global political environment; and the US-Japan Security Alliance. These will all be discussed in terms of Japan's role in APEC. Japan's strong support for globalism and international organisations, such as the United Nations (UN), will be considered as a motivating factor in Japan's enthusiasm for APEC.

In order to survey Japanese media reactions to APEC, four Japanese periodicals have been selected as data: *The Nikkei Weekly*, *The Japan Times*, *Shūkan Tōyō Keizai* and *Gaikō Forum*. The first two are published in English and the latter two in Japanese. While other journals and periodicals are referred to, these four provided statistical information with which to gauge reactions to various APEC issues.

Most of the literature on APEC has focused on the progress of APEC and the three pillars of liberalisation, facilitation and cooperation. The short history of APEC, and the major changes that have occurred as the forum has developed, have made it difficult for any comprehensive analysis of the topic. The available material has mostly appeared as short newspaper articles, slightly longer articles in academic

and economic journals, and government-produced papers. There is little material in monograph form on APEC. In contrast, there is a vast amount of information on Japanese foreign,²² economic and defence policy,²³ and its relations with the USA and Asia in the post-Cold War period. The study of multilateralism, regionalism and globalism, although not specifically related to Japan, is also becoming popular.²⁴

One of the most significant publications relevant to this thesis is Yōichi Funabashi's *Asia Pacific Fusion - Japan's Role in APEC*.²⁵ It is probably the first in-depth study of the APEC forum to date. It differs from the bureaucratic writings of governments and the APEC Secretariat in that it is not a description of APEC objectives, working groups and agendas, but goes 'beyond economics to focus on the political, cultural and civilizational factors that are at work in the region today'.²⁶ Funabashi argues that a key force behind APEC is a potential 'fusion' of Asia Pacific nations mobilised by the region's dynamic economic integration. He is especially interested in analysing the potential role of Japan in forging a 'fusion' between the two sides of the Pacific, due to its oscillating and complex engagement with both the USA and Asia.

²² For example, Reinhard Driete, *Japan's Foreign Policy in the 1990s. From Economic Superpower to What Power?* (London: Macmillan Press, 1996), and Takashi Inoguchi, *Japan's International Relations*, (London: Pinter Publishers & Westview Press, 1991).

²³ For example, Andrew Mack and John Ravenhill (eds), *Pacific Cooperation: Building Economic and Security Regimes in the Asia-Pacific*, (Canberra: Allen & Unwin in association with RSPAS, ANU, 1994).

²⁴ For example, Ross Garnaut and Peter Drysdale (eds), *Asia Pacific Regionalism Readings in International Economic Relations*, (Canberra: Harper Educational Publishers in association with The Australia-Japan Research Centre, ANU, 1994), and Andrew Mack and John Ravenhill (eds), *Pacific Cooperation: Building Economic and Security Regimes in the Asia-Pacific*, (Canberra: Allen & Unwin in association with RSPAS, ANU, 1994).

²⁵ Yōichi Funabashi, *Asia Pacific Fusion Japan's Role in APEC* (Washington: Institute of International Economics, 1995). The release of Funabashi's book in late 1995 caused a political stir in Australia. The Australian Government was disturbed by Funabashi's account of the MITI inventing the idea of APEC in 1989. I found that he did not dwell on this issue and was generous in his praise of actions taken by Prime Ministers Bob Hawke and Paul Keating, and their ministers. While Funabashi suggests that it was MITI's idea, he clearly points out that the Australian Government took the initiative to make APEC happen in 1989.

²⁶ Yōichi Funabashi, *Asia Pacific Fusion*, p. xii.

In Funabashi's examination of the development of APEC, he is very optimistic about the forum and its potential impact on the region. In contrast to other Japanese writers on APEC, he verges on the effusive. He particularly focuses on APEC's attempts to facilitate economic liberalisation. For him, Japan can assume regional leadership for the first time through an active APEC policy, without raising concerns in the Asia Pacific.

As there is limited material on APEC in monograph form, many newspaper articles were consulted. These generally presented a snapshot of APEC developments and topical issues. While there is minimal in-depth analysis, they provided a quick barometer of prevailing attitudes in Japan. Australian media reporting on APEC has also been closely followed. While many Australian newspaper articles were read, they have not been specifically cited; nevertheless, they also provided a useful gauge with which to measure differences in opinion among APEC nations.

Articles on APEC are most common in academic, economic and international relations journals. For example, in *Keizai Keiei Kenkyū Nenpō* (*Annual Report on Economics and Business Administration*), *Chuō Koron* (Central Opinion), *Ajia Taiheiyō Ronsō* (*Bulletin of Asia Pacific Studies*),²⁷ and *Gaikō Forum*, in the vernacular. And in Japanese-produced, English-language journals, like *Japan Review of International Affairs*, *Japan Echo*, *AMPO Japan-Asia Quarterly Review*, *Look Japan*, *Journal of Japanese Trade and Industry*, *Japan 21st*, *Japan Update* and *Look Japan*. The content is generally more analytical and questioning than newspaper sources; however, many of the articles concentrate on relating the history of APEC. The articles often discuss the benefits of APEC, but usually this is

²⁷ *Osaka University of Foreign Studies Bulletin of Asia Pacific Studies*, (Osaka: Kansai Institute of Asia Pacific Studies).

limited to economic interests; nevertheless, this focus was indicative of the Japanese point-of-view. Authors of journal articles tend to be more willing to criticise and question APEC than newspaper journalists. Bearing in mind the limited survey of Japanese print media, this appeared to be slightly more apparent in Japanese vernacular periodicals.

There are many Japanese government publications on APEC. However, this material is generally very similar to other nation's government publications, and the content is dry and bureaucratic. Most of the material took the line of publications produced by the APEC Secretariat in Singapore. Generally both the APEC Secretariat and Japanese government material covered a short history of APEC and listed the results of each major meeting; nevertheless, this type of material was useful in tracking Japan's involvement in APEC.

One of the most prolific Japanese writers on APEC is Professor Ippei Yamazawa, Japanese representative on APEC's Eminent Persons Group (EPG) 1992-1995. His work can be found in the form of feature articles in newspapers, journals, EPG publications and academic conference papers. Perhaps as a result of his position on the EPG, his work rarely strays from the universal APEC line of the three pillars. Even his presentation at the Australian, Indonesian and Japanese Approaches Towards APEC conference, entitled 'Regional Economic Integration in the Asia Pacific: A Japanese Perspective',²⁸ revealed little about the Japanese perspective; nevertheless, his discussions of APEC appear to be accurate and detailed.

²⁸ Ippei Yamazawa, 'Regional Economic Integration in the Asia Pacific: a Japanese Perspective', presented at a conference titled *Australian, Indonesian and Japanese Approaches Towards APEC*. (Canberra: Australia-Japan Research Centre, ANU, 2 September 1994).

According to one Japanese academic, his work on APEC is more indicative of Japanese attitudes than Yōichi Funabashi.²⁹

Another source of material on APEC was the Australia-Japan Research Centre (AJRC) at the Australian National University (ANU). A number of publications and conferences have been produced under the auspices of the AJRC. Material produced by Japanese academics affiliated with the AJRC, as well as papers based on conferences with Japanese guest-academics, provided insights into Japanese perceptions of APEC. One such publication was in the Pacific Economic Papers series, and entitled 'Asia Pacific Economic Cooperation and Australia-Japan Relations: A Japanese Perspective'.³⁰ The ANU's Professor Peter Drysdale (Director of the AJRC), and Dr Andrew Elek who has been affiliated with the AJRC, have written prolifically on APEC. The writings of these academics provided useful background, but are not frequently cited because of their Australian origin.

Foreign Policy

Japan's involvement in APEC is no doubt closely linked to Japanese economic policy. The adoption of the three pillars of APEC in Japan's economic policy is recognised as a step towards globalisation. Although Japan is currently suffering an economic downturn, it has historically produced significant economic growth, sometimes considered 'miraculous'. Japan's foreign policy, on the contrary, is not so acclaimed. Japan is often accused of not having its own foreign policy. Instead, it is said to have evolved around US concerns. This has not been denied by official Japanese government statements, which rarely fail to reiterate the pivotal importance of US-Japan relations in the foreign policy of Japan. The fact that

²⁹ Personal discussion with Japanese research student, ANU, October 1996.

³⁰ M. Inouchi & T. Terada, 'Asia Pacific Economic Cooperation and Australia-Japan Relations: A Japanese Perspective', *Pacific Economic Papers*, No. 224, October 1993.

Japanese foreign policy objectives have not included global leadership has contributed to the perception that Japan has no foreign policy. It is not the purpose of this thesis to debate such matters. There is no doubt that Japan has a foreign policy of its own, and it has been very effective in securing its objectives. Nor is there any doubt that Japan's post-war relationship with the USA has played a major role in moulding Japanese foreign policy. Of greater importance to the thesis is determining the fundamental issues of Japanese policy and how they are shaping Japan's future.

In 1957 the Japanese Ministry of Foreign Affairs (MOFA) published the first volume in its *Diplomatic Bluebook* series: an annual report on the state of Japan's foreign policy. Having restored diplomatic relations with the Soviet Union in October 1956 and joined the UN in December of that year, Japan gradually reintegrated itself back into the international community. The time had come for Japan to make a comprehensive review of the nation's diplomatic stance and the *Diplomatic Bluebook* would act as the messenger. It set out three basic principles for conducting diplomacy: focus on the UN, cooperate with, and be accepted by, liberal democracies, and strengthen Japan's status as a member of Asia.³¹ These three principles have remained virtually constant for almost forty years.³² I have

³¹ Japanese foreign policy after World War II was established in the early 1950s by the then Prime Minister, Shigeru Yoshida. Yoshida's foreign policy principles have been described as consisting of three parts: 1) to base foreign policy on the alliance with the USA and by so doing, maintain security; 2) to keep national defence at a minimum level; and 3) to use the extra wealth for economic activities, and pursue the route of a trading nation. Masataka Kosaka, *Nihon sonbō no toki* (Japan's time of crisis) (Tokyo: Kodansha, 1992) as cited by Ryo Sano in 'The Ambitions and Limitations of Japan's Foreign Policy in the Post-Cold War Era: Loosen the Ties or Reaffirm the US-Japan Alliance?', *Institute Reports*, (Columbia University: East Asian Institute, 1996), pp. 5-6.

³² This definition is also in line with the draft report submitted in 1992 by the Ozawa Committee, which was set up to consider 'Japan's Role in the International Community'. The following four principles were proposed (in the stated order) as the basis on which Japan should develop its new role in the changing international environment: maintain close ties with the USA, 'cooperate in, and seek to strengthen, the Group of 7 leadership set-up', play an active part in the UN, and that '...as an Asian country, Japan must strive to preserve peace and maintain stability in the Asian region'.

used these basic principles to frame this study of Japanese attitudes to APEC, Asian relations, US relations and globalism.

The term 'foreign policy' is generally associated with the workings of a government's foreign affairs department. International relations, however, are increasingly interconnected with financial and trade issues. For this reason, decisions about Japanese foreign policy involve the government (especially the bureaucracy), members of the Diet, and big business.³³ Within the bureaucracy, MOFA holds the central coordinating role for foreign policy. However, the area of foreign economic policy is hotly contested by the Ministry of International Trade and Industry (MITI). MITI's role has changed with the increased number of foreign trade issues, especially pertaining to the US-Japan relationship. APEC is another area in which MITI is heavily involved with policy making. In fact, MITI officially shares responsibility for it with MOFA, unlike in other APEC countries. For this reason, and given MITI's involvement in APEC's establishment, MOFA has been suspicious of the APEC forum from the beginning. The suspicion appears to be territorial, rather than related to APEC content or objectives. Since the beginning of APEC, the two ministries have pursued largely separate, and at times divergent, approaches towards APEC.³⁴ To ensure that neither ministry gets the upper hand, both ministries are usually represented at APEC gatherings, no matter what the content of the meeting.³⁵ The increase in transnational relations has also meant that many other ministries have become involved in foreign policy matters and MOFA has to

³³ 'Big Business' refers to the Keidanren (Federation of Economic Organisations), Nisho (Japan Chamber of Commerce and Industry), Keizai Doyukai (Japan Committee for Economic Development), and Nikkeiren (Federation of Employers' Organisation).

³⁴ Yōichi Funabashi, *Asia Pacific Fusion*, p. 136.

³⁵ Despite the Information Technology focus of the Second APEC Ministerial Meeting on the Telecommunications & Information Industry on the Gold Coast, Australia, in September 1996, Japan was represented by MOFA, MITI and the Ministry of Posts & Telecommunications.

rely on their expertise over a broad spectrum of fields. The Ministry of Finance, in particular, plays a significant role in steering Japan's foreign policy.

While this thesis is not about Japanese foreign policy, it does provide a useful framework for assessing Japanese perceptions of APEC. For the purposes of this thesis, the term 'foreign policy' will refer to three major relationships which affect Japan and influence how Japan acts in the global arena. These are listed below.

Japan-Asia Relations

While Japan's post-Cold War identity is moving in the direction of globalism, there is a realisation that it must also have a strong regional strategy, which should not be confined to Asia or East Asia alone, but be widened to include the Asia Pacific, as far as North America. Its objective is to keep the region open, peaceful, democratic and prosperous. Within Asia, Japan has already replaced the USA as Asia's principal market, main source of investment and provider of development assistance. It has taken tentative steps towards providing political leadership as spokesman for ASEAN in the Group of Seven (G7) and through various attempts to mediate in regional conflicts. It has played a leading role in launching a multilateral approach to regional security through the Asian Regional Forum (ARF), and has recently proposed a partnership with Southeast Asia that extends beyond economics, into high-level security and political cooperation.³⁶ Japan's role in establishing APEC and other regional economic groupings will be discussed in some detail later in this thesis. These strategies are in line with Japan's desire to: promote economic growth and development, as well as liberalise trade and investment in the region; enhance the peace-keeping and peace-maintenance, which involves maximising US commitment and continued engagement in the

region; and incorporate developing countries in the region as responsible players.³⁷ A recent development in Japan's Asia policy has been its willingness to take more vigorous steps towards regional leadership. Japan has encountered some problems in its attempts to strengthen ties with Asia and to assert power commensurate with its economic status. This mainly relates to Japan's role in WWII and pre-war aggression. Some of Asia is still wary of Japanese leadership and resentful of the lack of Japanese remorse. Japan, in turn, is wary of Asian sensitivities. Both attitudes have led to a very gradual approach to Japan-Asia unity.

The importance of the Asian region and Japan's relations with its Asian neighbours is reflected in recent editions of the *Diplomatic Bluebook*. Japan has gradually taken on a role as the major market for the products of the region. Japan has invested heavily in Asia in order to offset the steep rise in the value of the yen. The whole region has become more closely integrated with the increase in economic flows, and the success of the Asian economies has led to greater interdependence. The divide between Japan and Asia is disappearing and Japan can no longer regard itself as 'an ultra-modern skyscraper towering alone above a vast garbage dump called Asia', as a well known Japanese political critic stated in 1986.³⁸ The development of many of the Asian nations, especially the Newly Industrialising Countries (NICs)³⁹ and ASEAN,⁴⁰ and the economic restructure in China, has produced a highly dynamic economic community. The potential for continued

³⁶ The latter was proposed by Prime Minister Hashimoto in January 1997 during his tour of Brunei, Malaysia, Indonesia, Vietnam and Singapore. Hashimoto visited Thailand and the Philippines in November 1996.

³⁷ These three points are considered to be three pillars in Japan's Asian policy by Yōichi Funabashi. See Yōichi Funabashi (ed), *Japan's International Agenda*, (New York: New York University Press, 1995), pp. 1-27, esp. p. 18.

³⁸ Reinhard Drifte, *Japan's Foreign Policy*, (London: Royal Institute of International Affairs, Chatham House Papers, 1990), pp.103-110, esp. p. 107.

³⁹ South Korea, Taiwan, Hong Kong, and Singapore.

prosperity in these nations and this region is high, but a global market is required to support Asian output. Continued Japanese involvement in Asia, therefore, is an economic necessity for Japan. Full integration with Asia, however, is based on 'mutual trust' and Japan must 'look squarely at the history of its relations with neighbouring Asian countries and elsewhere and work positively with these countries to promote mutual understanding and mutual confidence in the future'.⁴¹ The *Diplomatic Bluebook* reports that Japan is attempting to achieve this goal through official government statements regarding Japan's remorse over the past and declaring that 'Japan's future path should be to make every effort to build world peace in line with its no-war commitment'. It may also be achieved through 'the Peace, Friendship and Exchange initiative and other measures'.⁴²

Japan-US Relations

Until 1993, the *Diplomatic Bluebook* stated that Japan was: (1) a free and democratic nation, and (2) an Asia Pacific nation.⁴³ Japan saw itself foremost as a major industrial democracy. In fact, as recently as 1983, MOFA stated that Japan had diplomacy 'grounded on the Asia Pacific Region'⁴⁴ but did not consider itself a 'member' of the Asia Pacific. Instead the 1983 *Diplomatic Bluebook* stated that Japan's foreign policy was primarily based on being 'a member of the West'.⁴⁵ This attitude is no longer extolled in the *Diplomatic Bluebook 1995*. The importance of Japan-US relations to the Japanese government has not diminished in any way despite anti-American feeling recently in Okinawa. The emphasis on maintaining a

⁴⁰ Singapore, Thailand, Malaysia, the Philippines, Indonesia and Brunei.

⁴¹ *Diplomatic Bluebook 1995, Japan's Diplomatic Activities*, 1996. Public Information Bureau, MOFA, Tokyo.

⁴² *Diplomatic Bluebook 1995*.

⁴³ *Diplomatic Bluebook 1987, Japan's Diplomatic Activities*, 1988. Public Information Bureau, MOFA, Tokyo. This attitude continued until 1993, after which the *Bluebook* discontinued with this line of positioning Japan. Instead it placed greater emphasis on 'globalism' or 'internationalisation'.

⁴⁴ *Diplomatic Bluebook 1983, Japan's Diplomatic Activities*, 1984. Public Information Bureau, MOFA, Tokyo.

⁴⁵ *Diplomatic Bluebook 1983*.

strong security alliance with the USA perhaps indicates the strength of the relationship at this stage. Despite a 'host of unresolved problems...including heightened military tensions'⁴⁶ in the region that may disturb the relative calm, the Japanese government embraces a security policy that maintains the US-Japan security arrangements, securing Japan's own defence capability and supports the Japanese government policy that seeks to secure international peace and security.

The USA has played a large part in Japan's development over the last five decades. The context and nature of the US-Japan relationship, however, is changing. Some argue that, the close alliance between the two nations is no longer necessary. Others argue that to facilitate the change, the relationship should be maintained and deepened. At this stage the Japanese government appears to have sided with the latter, citing security and economic reasons. There are three distinct advantages for Japan maintaining this relationship. The first is that it avoids protectionism and isolation in the region, and in the world as a whole. The fear of isolation has been an important motive in guiding Japan's post-war relations. Experience has shown that isolation can have a negative affect on Japan's prosperity and security. Protectionism by other nations would isolate Japan. The second advantage is that it minimises the suspicion of Japan's East Asian neighbours. The USA is regarded as having a restraining influence on any potential Japanese power play. The alliance enables Japan to pursue its interests without the obstacle of fears of revived Japanese militarism. Thirdly, many Japanese see the close association with the USA as a means of actively contributing to the management of global affairs alongside the other leading industrial powers. These advantages are nevertheless countered by disadvantages, such as conflicts of interest in China, human rights, and terms of trade. It appears, however, that at this

⁴⁶ *Diplomatic Bluebook 1995.*

stage the advantages outweigh the disadvantages, and containing the USA in the Asia Pacific region is of considerable importance to the Japanese government.

Japan and the World

In *Diplomatic Bluebook 1995*, the Japanese government concedes that under the Cold War structure, 'Japan had been carrying out its foreign policy as a 'member of the West', but it now emphasises a global motif and avoids defining Japan in terms of Asia or the West, but rather as a champion of international cooperation.⁴⁷ Its focus is on Japan's role in the international community and on global interdependence. MOFA considers that 'it is important to strengthen cooperation among Japan, the USA and Europe; such cooperation is indispensable in addressing a wide range of issues facing the international community'. It is also Japan's responsibility to 'play an active role in further promoting regional cooperation in the Asia-Pacific region' which will in turn complement and accelerate global cooperation.⁴⁸ Approximately three and a half pages are allocated to 'Multilateral Cooperation', and two pages to 'Asia-Pacific Regional Cooperation' covering APEC and the ARF. This would suggest that considerable importance is placed on APEC.

The post-Cold War trend in global interdependence demands that Japan show leadership across a range of political, strategic and economic issues. There has been some reticence and uncertainty about how to do this. Japan is able to use its strategic position between Asia and the 'West' in the 1990s to act as a 'bridge' or mediator. As already stated, Japan represents ASEAN at the G7, but there is some hope that when APEC matures, an APEC representative might attend the G7.

⁴⁷ *Diplomatic Bluebook 1995*.

⁴⁸ *Diplomatic Bluebook 1995*.

summits in a fashion similar to EU representation.⁴⁹ One of the Japanese government's goals is for permanent membership in the UN Security Council (UNSC). This goal is probably partially inspired by its original exclusion from the UN along with WWII 'enemies', Germany and Italy. Although these countries make financial contributions to the UN, none of them are represented on a permanent basis in the UNSC. Their exclusion will continue until Article 107, the 'enemies' article, of the UN Charter is deleted.⁵⁰ Japan sees the UN and other international organisations as a way of articulating its position in the world. At present, Japan's interests derive largely from its 'search for an honourable place in the world community', arising from its apprehension of being isolated, and from its desire to make a positive contribution to international peace and security.⁵¹ In the following chapters, we will see how APEC figures in Japan's view of its future.

⁴⁹ Yōichi Funabashi (ed), *Japan's International Agenda*, p. 23.

⁵⁰ Takashi Inoguchi, *Japan's Foreign Policy in an Era of Global Change*, (London: Pinter Publishers, 1993), pp. 139-155, esp. p. 149.

⁵¹ Takashi Inoguchi, *Japan's Foreign Policy in an Era of Global Change*, p. 153.

Chapter 2. Japan and Asia: The Legacies of History

Since the Meiji era (1853-68), Japan has been 'in Asia' but not fully 'of Asia' according to the senior Japanese journalist Yōichi Funabashi. Japan's geography, history, economic base, and the international environment have given it a unique identity. Its uniqueness was cemented by Japan becoming the first Asian nation to be declared a major industrial democracy. Because of this status, Funabashi believes that Japan will play a critical role in the Asia Pacific's 'evolution'.¹ Asia is now facing some of the issues and challenges, such as coping in the world trading system, the conflict between tradition and modernisation, and the pressure to liberalise markets, that confronted Japan in the 1960s and 1970s. Although Japan's position has been weakened by prolonged recession, some believe that Japan is in a good position to share its developmental experiences with Asia. Japan, however, can no longer keep a safe distance from Asia but should learn from the experiences of its Asia Pacific neighbours in order to integrate itself more fully with Asia.²

This chapter will look at Japan's Asian relations, especially in light of the so-called wave of Asianism that Japan is experiencing in the 1990s. The discussion will cover periods of Japanese 'Asianism', contemporary trade ties with Asia, and Japan and Asia in the changing international arena. This discussion will predicate Japan's links to Asia, before a discussion of Japan, Asia and APEC in chapter three.

Japan's History of 'Asianism'

Modern history has seen the Japanese searching for an appropriate way by which to identify themselves. Japan has swung back and forth between so-called

¹ Yōichi Funabashi, *Asia Pacific Fusion*, p. 10.

² Yōichi Funabashi, *Asia Pacific Fusion*, p. 11.

Asianism and Westernism. Japan's first pan-Asianist period, which began in the Meiji era, was a romantic ideal, stemming from a consciousness of common Asian cultural heritage.³ At the turn of the century Asians and Japanese alike celebrated an Asian spirituality. Japanese supporters of this ideology, Noguchi Yonejirō and Okakura Tenshin for example, saw in Asia's spiritual heritage a bond which made Asia superior to the materialistic West; a view that has been recycled a number of times since the beginning of this century.

In the early twentieth century the concept of Asian solidarity continued. An Asia-first policy was suggested by the intellectual Sugita Junzan, author of 'Kōa-saku' (Plans for Asian Prosperity), a book which detailed several ways to avoid Asia's colonisation by Europe. Sugita belonged to a group known as 'Jiyū-Minken Undō' (Freedom and People's Rights Movement) which feared the colonisation of Japan, and sympathised with already colonised and semi-colonised Asian neighbours. The group promoted the idea of Japan forming a coalition with Asian nations, such as Korea, China, Vietnam and India, in an effort to prevent further colonisation. The coalition would be based on a feeling of shared 'Asianess'(sic) and merited the phrase 'dōbun dōshu' (same character, same ethnicity).⁴ A number of patriotic societies were established, the *Kokuryūkai*, *Gen'yōsha* and others, which endorsed the encouragement and protection of political exiles and revolutionaries from other Asian nations. Sun Yat-sen, Kim Ok-siun, Aguinaldo, Phan Boi Chau and Rash Bihari Bose were some of the recipients of this Japanese insistence on Asian brotherhood.⁵

³Joyce C. Lebra, *Japan's Greater East Asian Co-Prosperity Sphere in World War II: Selected Readings and Documents*, (Kuala Lumpur: Oxford University Press, 1975), p. xi.

⁴Yōichi Funabashi, *Asia Pacific Fusion*, pp. 223-27.

⁵Joyce C. Lebra, *Japan's Greater East Asian Co-Prosperity Sphere in World War II*, p. xii.

The second Asianist period resulted from growing Asian trade interdependence and conflicting trade relations with the West. At the end of the nineteenth century, when relatively comprehensive regional trade data became available, the level of East Asian regional interdependence was already high. By 1913 about 42 per cent of the region's trade was intra-regional, rising to 46 per cent in 1938 and 47 per cent in 1990.⁶ Japanese exports destined for the USA accounted for 40 per cent of total exports in the first two decades of this century, and those to Asia were slightly higher. The share of exports to the USA dropped rapidly to 18 per cent by 1939, while exports to Asia rose to 65 per cent (mainly to Manchuria and North China, as they were part of Japan's informal empire).⁷ In the 1930s, Japan had adapted to Western trade systems to such an extent that it became the world's largest exporter of cotton cloth by 1933. The world economy was made up of competing economic blocs due to the effects of the Great Depression. Japan's success in textiles upset British India's position as leader in textiles, and prompted Great Britain to form an Imperial Preference System: later known as the Commonwealth. Japan responded to Britain's protectionism by turning to Asian markets, more for economic reasons than for any feeling of solidarity with Asia. Unlike Meiji pan-Asianism, it was ideological, economic and strategic concerns that fostered the pan-Asianism of the 1930s. Japan was annoyed that it had been ostracised by the British just as it was becoming successful. The closure of markets and creation of trading blocs only served to incite anti-Western feelings within Japan. This wave of Asianism, inspired by an aversion to the West and an attempt to save Japan's own markets, eventually led to Japan's invasion of East and Southeast Asia.

⁶ Peter A. Petri, 'The East Asian Trading Bloc: an analytical history'. In Jeffrey A. Frankel and Miles Kahler (ed.), *Regionalism and Rivalry: Japan and the United States in Pacific Asia*, (Chicago: The University of Chicago Press, 1993) p. 24.

⁷ Edward J. Lincoln, *Japan's New Global Role*, (Washington DC: The Brookings Institution, 1993), p. 162.

China's resistance to Japan's economic advance and the Great Depression also stimulated a change in Japan's economic strategy from the colonial-style of exchange of light manufactures for raw materials, to a concerted effort to develop independent bases of industrial investments outside mainland Japan.⁸ This led to substantial industrial development outside Japan proper, and eventually resulted in quite sophisticated economic linkages between Japan, Korea, Taiwan and eventually China.⁹ Soon after the invasion of China, Prime Minister Konoe announced a 'new order' for Asia that called for close cooperation or 'co-prosperity' between China, Japan and Manchuria. By 1939 the Shōwa Research Institute had developed an extensive plan for an East Asian Economic Bloc¹⁰ which could be self-sufficient by relying on rubber, bauxite, tin, tungsten, nickel and chromium from Thailand, the Philippines, the Dutch East Indies and Malaya.¹¹ The scope of Japan's East Asian cooperative sphere expanded to include Indochina as WWII approached. It became known as the Greater East Asian Co-Prosperity Sphere.

Prior to the APEC Osaka summit in 1995, the last time Japan had held an Asia-wide summit meeting was in 1943, when Japan invited the rulers of China, Manchuria, the Philippines and Burma, along with leaders from Thailand and 'Free India' to a Greater East Asia conference. As Japan became more vulnerable during the war, the more Japanese leaders called on all Asia to break the shackles of Western imperialist control, and proclaimed that Japan would help liberate the rest of Asia from oppressive control in a new 'Asia for Asiatics'.¹² In 1943 Prime Minister General Tōjō Hideki addressed the 'Assembly of Greater East-Asiatic Nations' with

⁸ Peter A. Petri, 'The East Asian Trading Bloc: an analytical history', p. 33.

⁹ Peter A. Petri, 'The East Asian Trading Bloc: an analytical history', p. 33.

¹⁰ Joyce C. Lebra, *Japan's Greater East Asian Co-Prosperity Sphere in World War II*, pp. 100-103.

¹¹ Peter A. Petri, 'The East Asian Trading Bloc: an analytical history', p. 34.

¹² Joyce C. Lebra, *Japan's Greater East Asian Co-Prosperity Sphere in World War II*, p. xiii.

details of the war and Japan's Greater East Asia. He condemned American and British imperialism and their attempts to subordinate Asia. It was in response to these aggressors, he explained, that Japan 'inevitably but resolutely came to fight the challenges against Asia'. Furthermore, Japan's ambitions were 'fundamentally different from the old order designed to serve the interests of the United States and Britain who do not hesitate to practise injustice, deception and exploitation in order to promote their own prosperity'.¹³ Tōjō explained that Japan aspired to create 'family-type links' with Asian nations, with little doubt that in this family Japan would be the 'father' who possessed absolute power.¹⁴ Although constant reiteration by the Japanese military and government that the themes of co-existence and co-prosperity were designed to gain Japan friends in Asia, the development of Greater East Asian Co-Prosperity Sphere is more likely to have been in response to a sudden downturn for Japan in international events rather than a consequence of a widely held interest in the co-prosperity of Asian people.¹⁵ The realisation of the Co-Prosperity Sphere resulted in education, such as cultural programs, writers' conferences in Tokyo, dissemination of Japanese language, and study in Tokyo by Asian students. Religious and youth programs were also pursued with the encouragement of Islam and Buddhism, and the fostering of political and youth groups. There was also training of volunteer and independence armies, mobilisation of labour, and requisitioning of raw materials and agricultural products which both enhanced and aggravated Asian interdependence.

Although Japan's role in the pre-war economy substantially increased East Asian interdependence, particularly between China, Japan, Korea and Taiwan in the 1930s, the period of Japan's Greater East Asian Co-Prosperity Sphere, especially

¹³ Joyce C. Lebra, *Japan's Greater East Asian Co-Prosperity Sphere in World War II*, p. 91.

¹⁴ Yōichi Funabashi, *Asia Pacific Fusion*, p. 187.

from 1940, saw the region suffer a deep economic decline resulting from the onslaught of the war. Integration between the Asian nations dwindled as the sea lanes were not safe enough to allow large scale transport.¹⁶ Needless to say, the end of the war saw this strong Asia-centric view discredited. This was further weakened by the virtual closure of the Chinese market after 1949, and the USA rather forcefully cutting many of Japan's pre-war ties.

Since Japan achieved the status of a major industrialised democracy in the mid-1970s, Japan has endeavoured to gradually improve its relations with Asia. There is some feeling that Japan is experiencing a third 'Asianist' wave in the 1990s. This coincides with the Japanese desire to define a new national identity, or at least prepare for the twenty-first century. Young Japanese people are feeling drawn to Asia. For many of them, Asia is not just a region of dynamic economic growth, but also the latest chic spot. Trends in the Japanese media suggest an increased interest in the region which is reflected in reporting on Asia. News articles on Asia in Japan's leading newspaper, *Asahi Shimbun*, increased from 1000 stories in 1985 to more than 6000 in 1994.¹⁷ A survey by Japan's weekly magazine, *AERA*, of predominantly young people showed that they would choose Asia over the USA if they had to choose between the two in foreign policy.¹⁸ Asia and Japan are enjoying increased cultural interaction, especially with the rise of consumerism.

Another apparent source of Asianism is the promotion of Confucian or Asian values across Asia in general. This represents an effort to avoid the social decay that reputedly stems from 'Westernisation'. Social decay is reflected, for example in the

¹⁵ Peter A. Petri, 'The East Asian Trading Bloc: an analytical history', p. 36.

¹⁶ Peter A. Petri, 'The East Asian Trading Bloc: an analytical history', p. 34.

¹⁷ Yōichi Funabashi, *Asia Pacific Fusion*, pp. 223-27.

¹⁸ Yōichi Funabashi, *Asia Pacific Fusion*, pp. 223-27.

weakening of work ethics, hedonistic consumption, and excesses of individualism.¹⁹ Malaysia's Mahathir Mohamad and Shintarō Ishihara jointly authored a book entitled *The Voice of Asia*, in which they agree that the core Asian values are discipline, deference and obedience.²⁰ They credit Asia's economic success with the Confucian way of family and community over individualism. While mainly extremists have adopted this view in Japan, it is nevertheless an issue receiving some attention.

The previous two 'Asianist' waves, at the turn of the century and the period culminating in WWII, are often explained in terms of Japanese antipathy to Western countries and their actions. This apparent 'third wave' may be partially explained by the Japanese desire to dissociate itself from the USA. The end of the Cold War may have provided the signal to Japan to reconsider its position as 'little brother' of the USA. Miyake Wasuke, a former diplomat, has suggested that Japan shift its diplomatic emphasis from the USA to Asia. He has argued that, 'until now, Japan has often listened to American voices and persuaded Asians. From now, Japan needs to listen to more Asian voices and persuade Americans'.²¹ Increased anti-American sentiment, known as *kenbei*, has resulted from recent USA-Japan trade conflicts and tension over American bases in Japan. Of course, the critical underpinning of the US-Japan security relationship has limited the extent of anti-American feeling. The Japanese government continues to tread a fine line between taking greater responsibility in a number of areas in the region, and ensuring that the USA is engaged in the region for the foreseeable future.

¹⁹ John Naisbitt, *Megatrends Asia. Eight Asian Megatrends That Are Reshaping Our World*, (New York: Simon & Schuster, 1996), p. 63.

²⁰ Mahathir Mohamad & Shintarō Ishihara, *The Voice of Asia. Two Leaders Discuss the Coming Century*, (Tokyo: Kodansha International, 1996).

²¹ Yōichi Funabashi, *Asia Pacific Fusion*, p. 225.

Although there is some American rhetoric about Japan's dark intentions in this third wave of Asianism, this has probably more to do with political point scoring than any real fear of a rise in Japanese power. Even Asian nations who suffered under Japanese colonialism appear unconcerned. Yōichi Funabashi believes that Japan is becoming 'peacefully enmeshed in Asia' through increased travel, business interaction and personal links. Japan has come to consider its Asian neighbours as 'normal' foreign countries on a par with North America and Europe. Similarly, Nakanishi Teramasa argues that this time there are no dreams of Japanese hegemony because the younger generation 'do not harbour the sense of superiority' over other Asians that their forebears felt prior to WWII. He believes that recent discussions of cooperation and competition between Japan and its Asian neighbours are premised on the recognition of 'fundamental equality'.²²

Contemporary Trade Ties with Asia

Although Japan has had a long history of trade relations with Asia, recent trade statistics indicate that levels of interdependence between Japan and the other Asia Pacific economies are still growing. In 1993 the Asia Pacific accounted for 78.9 per cent of Japan's exports, or nearly US\$268 billion, and 69.5 per cent or US\$162 billion in imports.²³ These percentages are up from 1992 figures of 74.3 per cent and 67.4 per cent for exports and imports respectively.²⁴ The interdependence of this region is giving rise to a new global powerhouse. East Asia represented four per cent of the world's GNP in 1960, while the USA commanded 37 per cent. Today, their shares are nearly equal (between 23 and 24 per cent each) with most

²² Nakanishi Teramasa, 'Japan's Place in the World', *Japan Echo*, Vol. XIX, Special Issue, 1992, pp. 2-5.

²³ Asia Pacific is not defined in the article entitled 'Japan's Basic Approach to APEC and Close Relations with Member Economies', 1995. *MOFA APEC Information*. [<http://www.nttl.co.jp/informofa/apecinfor.html>]. However, as it is an APEC 'homepage', it is assumed that this refers to the seventeen member economies (excluding Japan).

²⁴ 'Japan's Basic Approach to APEC and Close Relations with Member Economies', 1995. *MOFA APEC Information*.

of the Asian nations still developing. If present trends continue, East Asia could exceed half of the world's GNP by 2040. On the basis of recent growth rates, East Asia's GNP will overtake that of North America in 2003 and Western Europe in 2011.²⁵

Steady economic growth in the Asia Pacific countries has been fuelled by increasing flows of private capital since the beginning of the decade. While the world's public capital flows to developing economies have levelled off, Japan remains the world's largest investor and the world's largest aid donor.²⁶ These are two immensely powerful international levers. Because Southeast Asia alone receives approximately half of all Japanese direct investment in Asia²⁷ and a considerable percentage of its aid, it has been suggested that its actions are motivated by purely commercial interests. Japan's portfolio investment in Asian equities accounted for approximately 20 per cent of the world's total investment in Asian equities in 1994.²⁸ Japanese portfolio investment in Asia has been driven by the good performance of the emerging economies of the region. The outlook however, is likely to be long term as Asian investment expertise and experience increases, particularly from the viewpoint of Japanese investors. Accordingly, this type of direct investment from Japan to Asia will continue to play a major role in the capital formation of Asian business. Japan is clearly keen to build up business ties in the developing Asian nations, like Vietnam and Cambodia, on the back of its aid programs. Although this process is often perceived as Japanese commercialism, it

²⁵ Joseph Camilleri, 'Asia Pacific in the Post Hegemonic World', in Andrew Mack and John Ravenhill, (eds) *Pacific Cooperation: Building Economic and Security Regimes in the Asia-Pacific Region*, (Canberra: Allen & Unwin in association with RSPAS, ANU, 1994), pp. 180-208, p. 182.

²⁶ Greg Sheridan, 'Japan, the Unintentional Superpower', *The Australian*, 15 January 1997, p. 11.

²⁷ Roberto Coloma, 'Japan plans S-E Asian Accord', *The Australian*, 14 January 1997, p. 9.

²⁸ Takatoshi Katō, 'Japan's Interaction with APEC Economies', *Look Japan*, March 1996, pp. 16-17.

plays a significant role in the daily lives of people in countries like Cambodia. Japanese aid to Cambodia has boosted electricity supplies, rehabilitated Phnom Penh's main water treatment plant, rebuilt a bridge linking the city to central and eastern Cambodia and increased port facilities.²⁹ Japan nevertheless benefits from providing aid packages to developing nations. Through its Overseas Development Aid (ODA) program, Japan has the opportunity to invest in the hard infrastructure of the region, such as civil works transport, communications and energy, and also in 'soft' intellectual infrastructure, such as education, welfare, population issues and environmental protection.³⁰ Criticism of Japan's aid stems from the commercial nature of the aid programs, where the allocation of aid is seen to result in the recipients subsequently procuring Japanese goods to implement the infrastructure projects. There is the perception that Japanese companies win the contracts, while Western firms are somehow prevented from bidding successfully for lucrative Japanese aid contracts.³¹

A considerable amount of Japanese investment in Asia has arisen from the 'hollowing out' of Japan whereby Japanese manufacturers have moved production plants to other parts of Asia, to cope with the high yen in Japan. Japan has experienced economic stagnation in the 1990s, and although its economy is picking up, the high yen, soaring labour costs and the need to stay cost competitive have driven Japanese transnational businesses off-shore, where they will remain for the foreseeable future. The exodus has been extraordinary. According to projections by the Nomura Research Institute, 35 per cent of car stereos, 70 per cent of colour televisions, 40 per cent of VCRs and 80 per cent of hi-fi audio equipment made by

²⁹ Leo Dobbs, 'Generous Japan Leads Cambodia's Rejuvenation', *Reuter's News Service*, 25 July 1996.

³⁰ Yōichi Funabashi, *Asia Pacific Fusion*, p. 239.

Japanese companies will be produced in other parts of Asia in 1996.³² Japan now supplies the world market from manufacturing plants in China and Southeast Asia.

Japanese labour costs can no longer compete with costs in China, Indonesia, India or Vietnam. Japanese conglomerates are beginning to recognise the demands of the future and the manufacturing reform process will accelerate regardless of the social costs.³³ On top of goods being assembled overseas, there will be an increase in the use of locally manufactured parts, and a shift away from Japan in product development and design operations. According to a 1994 Japanese government survey, it was 16 per cent cheaper to manufacture colour televisions in Southeast Asia than in Japan. Recently, the general manager of Sony Television Industries reported that 30 per cent of television components were still being made in Japan, but the company would reduce that figure to less than 10 per cent in the near future.³⁴ These measures are increasingly required as tough competitors from South Korea, Europe and elsewhere move into similar markets and reduce profits. In the bid to maintain market supremacy, Japanese companies are being squeezed to force far-reaching and domestically divisive changes in social attitude.

Not only has Asia become a production base, Asia is also an enormous consumer market. ASEAN accounted for more than 16 per cent of Japan's trade in 1995, while Japan accounted for close to 19 per cent of ASEAN trade.³⁵ Asia accounts for about 25 per cent of Japan's world sales in electronics and ranks as one of the

³¹ Susan J Pharr, 'Japanese Aid in the New World Order', in Craig Garby & Mary Brown Bullock (eds), *Japan A New Kind of Superpower?* (Washington: The Woodrow Wilson Center Press & The John Hopkins University Press, 1994), pp. 159-179, esp. p. 171.

³² Russell Skelton, 'Japan goes to Asia, Where it's Cheaper', *The Sydney Morning Herald*, 27 July 1996, p. 34. (Reuter's Business Briefing, 26 July 1996.)

³³ The hollowing out of Japanese mainland manufacturing is having a negative effect on the job market in Japan. Unemployment has reached an unheard of 3 per cent, and could go much higher.

³⁴ Russell Skelton, 'Japan goes to Asia, Where it's Cheaper', p. 34.

world's four largest markets. By 2000, it is estimated that China alone will account for 25 per cent of all air conditioner sales, 20 per cent of washing machine and 15 per cent of television and refrigerator sales.³⁶ This will have an enormous impact on the Japanese economy. Japan must therefore maintain good economic relations with China to ensure that it can benefit from China's increasing consumer demands.

Japan and Asia in the Changing International Arena

The foreign policy course taken by Japan prior to WWII aligned Japan with other Asian nations. However, it used the power and local advantage of its position in Asia to associate with the Western powers and to consolidate its status in the international community. This meant that Japan's status in the international community depended on its position and power in Asia. The second major course taken by Japan occurred after the war, and placed Japan in the Western or non-Asian world. Japan shared the technological development and democratic values of the West and was generally accepted as part of the 'Western-bloc'. During this era, Japan's prestige and influence in Asia depended on it being an industrially advanced, democratic, Western nation, virtually defining its position in Asia by its status in a different part of the world.³⁷ Generally, Japanese foreign policy has remained relatively stable since the end of WWII, focusing on: acceptance in the international community; an international order that allowed its trade and investment interests to flourish, especially in Asia; and a benign security environment under American surveillance. Today the economic situation in Asia has changed for the better, and a new course for Japan is becoming both a possibility and a necessity. The rapid economic development of Asia means that Japan can no longer use

³⁵ Roberto Coloma, 'Japan plans S-E Asian Accord', *The Australian*, 14 January 1997, p. 9.

³⁶ Russell Skelton, 'Japan goes to Asia, Where it's Cheaper', p. 34.

³⁷ Kazuo Ogura, 'Japan's Asia Policy, Past and Future', *Japan Review of International Affairs*, Winter 1996, pp.3-15, esp. p. 3.

these nations as a stepping stone to the West. Japan must cooperate and collaborate with Asian countries for its own economic well-being. As part of this strategy, Japan sees itself assisting Asia by taking on a leadership role to help facilitate Asia's successful internationalisation to the level of Europe and the USA. The January 1997 offer by Prime Minister Hashimoto, of a new partnership between Southeast Asia and Japan, signals a more assertive Japanese foreign policy and a determination to assume an international role commensurate with its economic status. This is a significant Asian play by Tokyo, aimed at ASEAN, which has less pronounced resistance to Japan than Northeast Asia. Northeast Asian resistance will be harder to crack, with Korean anti-Japanese sentiment almost ritualised in South Korean politics, and Chinese sentiment designed to gain some advantage over Japan.³⁸ Japan is keen for Asia to assume a more responsible role in global issues, as economic sustainability and future political power relies on cooperation between the Asia Pacific, Europe and the USA. Japan is increasingly aligning itself closely with all three. It has close relations with Asia and the USA, and is endeavouring to improve its relations with Europe. Japan's current foreign policy reflects the globalisation of the international economic system.

Conclusion

The growing influence of Asia in world trade is one of the most significant economic developments in modern history.³⁹ East Asia's potential to overtake the GNP of North America and Western Europe within the next decade demands world attention. This sea change has challenged basic assumptions about the world economic system. The Japanese government and business conglomerates are

³⁸ This is according to Sato Seisaburo of the Institute for International Studies in Tokyo. Greg Sheridan, 'Japan, the Unintentional Superpower', *The Australian*, 15 January 1997, p. 11.

³⁹ Yōichi Funabashi, *Asia Pacific Fusion*, p. 6.

also altering their assumptions about the future of Asia. Financial necessity is central to this change. Fortunately for Japan, it is well regarded in the region as the first Asian nation to reach major industrial power status. Its Asian heritage has also allowed Japan to develop economic links with Asia. However, its oscillating changes in political affiliation and, at times, aggressive relations with Asia, have meant that Japan must work to alleviate any Asian concerns about Japanese intentions and affiliations.

This change in world affairs is assisting Japanese politicians, often seen as weak in their implementation of policy, in implementing unpopular policies. To ensure Japan has a secure future, changes are slowly being implemented across Japan's economic arena. Increased investment in Asia to reduce the value of the high yen and the hollowing out of Japan's manufacturing sector, has resulted in rising unemployment levels and changes in the life time work ethic. These changes have been necessitated by the changing world trade structure. The latest change is towards the liberalisation of Japan's barriers to trade and investment. Fearing that Japan will be denied access to foreign markets, Japanese economic institutions are changing accordingly.

Chapter 3. Japan and Asia: The APEC Future

In light of the development of Asia, Japan recognises that it must have a strong regional strategy. Japan's lingering economic recession in the 1990s has cast some doubt on the Japanese economic miracle and indicated a clear need to stimulate the economy. While Japan has often managed to emerge victorious from difficult situations in the post-war period, the Japanese system may not be able to 'catch-up' as well in the new environment. And meanwhile, Asian nations are in the process of catching up with Japan. The Japanese government has come to recognise that a harmonious and expanding regional economic relationship is a necessary prerequisite for Japan's own prosperity. Its objective is to keep the region open, peaceful, democratic and prosperous. Japan hopes to achieve this goal by promoting economic growth and development, liberalising trade and investment in the region, and incorporating the countries of the region in one integral body. Deregulation and close relations in the region are what is required. A wide range of deregulation in trade and investment restricting measures are aimed at opening markets. The APEC forum is part of Japan's strategy to achieve these goals. Trade, under the auspices of APEC, could be used by Japan as an 'engine of adjustment' in the 1990s.¹ APEC may provide a way to stimulate the economy, while allowing Japan to keep pace with the region. The APEC concept represents one of the major external economic policy drives of Japan.²

As we have seen in previous chapters, Japan was relatively slow to fully embrace APEC. However, Japan's hosting of the 1995 leaders' summit in Osaka raised Japanese public awareness of APEC. *The Japan Times* placed the 'APEC in

¹ A. Hirata, J. Okamoto & T. Ogita, 'Strategy toward APEC: the Case of Japan', in I. Yamazawa & A. Hirata (eds), *APEC: Cooperation from Diversity*, (Tokyo: Institute of Developing Economies, 1996) pp. 29-40, esp. p. 33.

Osaka' story as the fifth most important story of the year and the readers themselves selected APEC as the ninth most important topic for 1995.³ Interest in APEC was at a level on par with stories on the Hanshin earthquake, the subway attack, Okinawa bases, dollar dives, Daiwa Securities' losses, the WWII anniversary, financial failures, and religious law.

This chapter will consider the role that APEC plays in Japan's relations with its Asian neighbours. Of particular importance are the trade links that Japan has with Asia. However, there are also diplomatic and strategic issues that play a large role in relations as well. APEC may provide a convenient framework for implementing strategies to ensure the prosperity and stability of the Asian region.

Economic Pragmatism

Many Japanese believe that APEC was established out of economic necessity and political expedience born of Asia Pacific dynamism, the changes the USA has undergone since the end of the Cold War, and Japan's own relative economic decline.⁴ Japan had been promoting regional cooperation since the 1960s,⁵ but it was felt that, because of the economic and political situation in the late 1980s, the

² A. Hirata, J. Okamoto & T. Ogita, 'Strategy toward APEC: the Case of Japan', p. 33.

³ *The Japan Times* homepage: [<http://shrine.cyber.adjp/~jtinter/home.html>], 1996.

⁴ Personal interviews with Sumio Kusaka and Keiichi Higuchi, Developing Economies and APEC Division, Economic Affairs Bureau, MOFA, Japan, 3 & 4 September (respectively) 1996.

⁵ In the 1960s, calls for the establishment of an economic community in the Pacific region, much like the EC, were being made in Japan. An early manifestation of this idea was the Conference of Measures for Trade Expansion of Developing Countries sponsored by the Japan Economic Research Centre. In 1967, business leaders in Japan, the USA, Canada, Australia and New Zealand set up the private sector Pacific Basin Economic Council (PBEC). In 1968 scholars established the Pacific Trade and Development Conference. Ten years later, Japanese Prime Minister Masayoshi Ōhira set up the Study Group on Pacific Basin Cooperation, one of a number of policy deliberation bodies he established around that time. In 1980, the group issued a report on the 'Pacific Basin Cooperation Concept' and later that year a Japanese-Australian initiative resulted in the first PECC. PECC's membership grew to include six ASEAN countries, Australia, New Zealand, Canada, USA, China, Japan, South Korea, Taiwan, Hong Kong, Chile, Peru and Mexico. The focus of this group was broad and varied, and included agriculture and

vision of an APEC-type grouping could be more easily made into reality, what with the Japan-East Asia market place having shown huge growth.⁶ Regional interdependence was already happening of its own accord⁷ prior to APEC. Newspaper headlines, such as 'Enter the Century of the Asia Pacific - Cooperation is Central to Continued Prosperity',⁸ reflected the feeling that APEC was becoming necessary for Japan's future prosperity.⁹ There were suggestions that APEC was born out of 'a real economic reaction in the Asia Pacific region'.¹⁰ One factor that made APEC a 'sheer necessity' for Japan was the very high yen which forced the relocation of many large manufacturers to overseas. The high yen was partly caused by the low level of imports into Japan. One Japanese official regarded APEC as a 'vehicle for increasing the velocity and volume of trade in both directions' which could resolve this problem.¹¹ That APEC was created out of economic necessity and political expedience suggests that 'APEC will live on even after 2010 or 2020'.¹²

Shocking Bogor

Some Japanese economic analysts believed that the Bogor Declaration of 1994 came at a time when Japan most needed deregulation to stimulate the economy.¹³ According to Japanese economists, Japanese capital markets were being

fisheries, minerals and energy, trade, transportation, telecommunications, tourism, science and technology, human resource development, and economic forecasting.

⁶ Personal interview with Sumio Kusaka, Director Developing Economies and APEC Division, Economic Affairs Bureau, MOFA, Japan, 3 September 1996.

⁷ Personal interview with Sumio Kusaka, 3 September 1996.

⁸ 'Enter the Century of the Asia Pacific - Cooperation is Central to Continued Prosperity', *The Nikkei Weekly*, 15 November, 1993.

⁹ Personal interview with Keiichi Higuchi, Developing Economies and APEC Division, Economic Affairs Bureau, MOFA, Japan, 4 September 1996. This was also the opinion of Sumio Kusaka.

¹⁰ Personal interview with Keiichi Higuchi, 4 September 1996.

¹¹ Personal interview with Keiichi Higuchi, 4 September 1996.

¹² Personal interviews with Sumio Kusaka and Keiichi Higuchi, 3 & 4 September 1996.

¹³ For example, Keiichi Higuchi. Personal interview with Keiichi Higuchi, 4 September 1996.

liberalised, and trade-impeding processes eliminated.¹⁴ However, when it came to the Bogor Declaration, there were some who found the concept of setting specific goals for liberalisation took APEC beyond its original specification. APEC was, for the most part, considered to be a consultative forum on regional economic issues that did not lead to the adoption of mandatory directives.¹⁵ Despite the apparent acceptance of APEC at the Seattle leaders' summit in 1993, Japan withheld formal support for the proposed 2020 deadline for trade liberalisation until late October 1994, one month prior to the next summit. The proposed Bogor Declaration was described as 'shocking'¹⁶ and it was felt that 'liberalisation is being conducted in a hasty, dangerous way'.¹⁷ One Japanese economic journal described the results of Bogor as 'Premature policies for the realisation of liberalisation'.¹⁸ The reason for these perceptions apparently stemmed from Japan's style of economic development over the last fifty years. Japan's gradual development over that half century had enabled Japan to conduct its trade liberalisation as a gradual process over a long period, certainly not the 15 or 25 years the Bogor Declaration specified. According to one academic, the fact that Indonesia and other developing economies recommended and supported such a revolutionary proposal as that made at Bogor, meant that Japan had to agree to the Declaration.¹⁹ The developed economies could only support the proposal in light of the hardship such a deadline would impose on developing economies.²⁰

¹⁴ Kozo Yamamura, 'The Deliberate Emergence of a Free Trader: The Japanese Political Economy in Transition' in Craig Garby & Mary Brown Bullock (eds), *Japan A New Kind of Superpower?* (Washington: The Woodrow Wilson Center Press, 1994), pp. 35-52.

¹⁵ In line with ASEAN's Kuching Consensus set in 1990. *Australian, Indonesian and Japanese Approaches Towards APEC*, (Canberra: Australia-Japan Research Centre, Research Schools of Pacific and Asian Studies, ANU, 1994), p. 4.

¹⁶ Personal interview with Sumio Kusaka, 3 September 1996.

¹⁷ Personal interview with Takashi Terada, Research Scholar, Australia-Japan Research Centre, ANU, 18 September 1996.

¹⁸ 'APEC kakuryō shunō kaigi. Saki-okuri ni naru jiyū gutaisaku' ('APEC Senior Officials-Leaders' Meeting. Premature policies for the realisation of liberalisation'), *Shūkan Tōyō Keizai*, 19 November 1994, pp. 70-75.

¹⁹ Personal interview with Takashi Terada, 18 September 1996.

²⁰ Personal interview with Takashi Terada, 18 September 1996.

Courageous Osaka

Japan's concern about the Bogor Declaration looked like unravelling the Bogor pledge in 1995. Japan, South Korea and China sought to loosen the free trade agreement made in Jakarta with regards to agricultural import restrictions. Japan, chair of the 1995 APEC summit, proposed 'sectoral specificity' and 'flexibility' in the pre-summit draft of the leaders' statement, known as the Action Agenda. The phrase 'sectoral specificity' was regarded by some other member economies as a code for excluding agriculture from APEC's plans to achieve free trade in the Asia Pacific by 2020,²¹ and thought that the language of the agreement would provide room to manoeuvre in particular sectors. Pressure was applied on Japan before the Osaka meeting, with other economies insisting that the language used in the Agenda could not change the basic commitment to the Bogor agreement.²² In the end, the Action Agenda, with its emphasis on flexibility, was adopted at Osaka, but there was no stepping back from the Bogor commitment. In fact, the target dates were reaffirmed, some useful 'down payments' were made on delivering faster trade liberalisation and a timetable was established for each member country to present plans, known as Individual Action Plans (IAPs), for achieving the Bogor targets. Some suggested that the Osaka meeting was seen as an important opportunity for further strengthening of the reform process in Japan. According to one Japanese academic, Japan made a considerable domestic concession on agriculture for the benefit of the international system.²³ The decision to drop the emphasis on flexibility for agricultural trade was also possibly the result of Japan's greater desire for respect in the region. The Japanese government knew that the

²¹ R. Garran & C. Stewart, 'Japan backs agriculture free trade push', *The Australian*, 15 November 1995, p. 2.

²² 'Asia Pacific leaders iron out accord', *The Canberra Times*, 17 November 1995, p. 3.

²³ Personal interview with Takashi Terada, 18 September 1996.

summit was being viewed as a gauge as to how far it could be 'bold and reformist'.²⁴

APEC Membership

That Japan was prepared to make domestic concessions on agriculture for regional economic gains indicated to some Japanese commentators that APEC would have a long and prosperous future.²⁵ This argument sees economic pragmatism and political expedience as the key to APEC's future and its continuing success. Others, however, were more circumspect about its future because of the potential size of the Asia Pacific. The desire by a number of other countries to join the APEC group, especially countries like Vietnam and Laos, was viewed by some Japanese as potentially damaging to the forum.²⁶ People subscribing to this view felt that access could not be denied these countries when APEC already includes Mexico and Chile, arguably outside the Asia Pacific. A larger APEC would subsequently become complicated and unwieldy.²⁷ The size of the APEC group would also encourage the emergence of smaller, more relevant groups, like ASEAN, or a South American sector. The emergence of smaller groupings, it was warned, would diminish the strength of the larger forum.²⁸ 'If APEC over-emphasises openness, the number of members will increase and deprive APEC of its centripetal force, so that the organisation will then become a nominal entity'.²⁹

As seen above, APEC is by no means considered infallible by the Japanese, nor necessarily the correct way ahead for the region. The Japanese vernacular

²⁴ Ponciano S. Intal, 'Comments' on A. Hirata, J. Okamoto, T. Ogita, 'Strategy toward APEC: the Case of Japan', in I. Yamazawa et al., *Cooperation from Diversity*, p. 45.

²⁵ Personal interview with Takashi Terada, 18 September 1996.

²⁶ This perception is not only held by Japanese commentators and bureaucrats. Australia is one of the most fervent economies on this issue.

²⁷ Personal interview with Kazutomo Irie, Counsellor (Economics), Embassy of Japan, Canberra, 18 September 1996.

²⁸ Personal interview with Kazutomo Irie, 18 September 1996.

economic journal, *Shūkan Tōyō Keizai*, has published relatively few articles on APEC since 1989. (Refer to Appendix C: Article Titles from Surveyed Journals.) As APEC is an economic forum, this is where one might expect to find information on APEC. In general, the journal covered many international trade issues, but the highest number of articles produced on APEC was only six in November 1994. The Bogor Declaration probably received the greatest attention because of the significance on the member economies. Otherwise, APEC received little attention from this journal. The few articles that were issued on APEC in *Shūkan Tōyō Keizai* provided some of the most frank and cautious perspectives on APEC of the four periodicals surveyed, as seen in some of the following articles: 'The Ironic Success of the Osaka Meeting'³⁰ and 'Does Japan have the Strength to Shed Blood in order to Protect Free Trade'.³¹ In one article entitled 'Nihon ni APEC wa fuyō da' ('APEC is unnecessary for Japan'),³² the UN's regional commission, ESCAP (Economic & Social Commission for Asia and Pacific), is touted as a far superior strategy for Japan than APEC. It was argued that APEC is losing its way as a forum for consensual multinational cooperation, and becoming a US forum to schedule others towards liberalisation. Furthermore, ESCAP, which should exclude the USA and include Asia and Oceania, would not be a place of bilateral trade negotiation, but a forum for economic cooperation. The article also argued that GATT and the WTO are the fora for issues relating to trade and commerce, not APEC.³³

²⁹ M. Inouchi & T. Terada, 'Asia Pacific Economic Cooperation and Australia-Japan Relations', p. 10.

³⁰ 'APEC Ōsaka kaigi no hiniku na seikō' ('The Ironic Success of the Osaka APEC meeting'), *Shūkan Tōyō Keizai*, 2 December 1995, pp. 42-43.

³¹ 'Nihon koso ga jiyū bōeki o mamoru tame ni ketsu o nagasu chikara o motte iru?' ('Does Japan have the Strength to Shed Blood in order to Protect Free Trade'), *Shūkan Tōyō Keizai*, 26 June 1993, p. 58.

³² Ichikawa Amane, 'APEC is unnecessary for Japan', pp. 96-99.

³³ Ichikawa Amane, 'APEC is unnecessary for Japan', pp. 96-99.

Improving Asian Relations

As discussed in the previous chapter, Japan still faces the problem of lingering memories of the Greater East Asian Co-Prosperity Sphere and its wartime aggression. It must walk a careful line, mindful not to threaten other countries, nor to nullify its own positive actions. Although generational change in leadership is modifying this fear of Japan, many countries in the region are concerned that any formal cooperative arrangement may become a vehicle for Japanese domination of the Asia Pacific, especially if the USA is not present.³⁴ Japan is well aware of these sensitivities and has generally approached any regional initiatives with caution; nevertheless, improving relations with Asia has been a priority,³⁵ primarily because of the strong trade links between Japan, Asia and the USA.³⁶ Through APEC, Japan can demonstrate that it wants to play a constructive role in Asia.³⁷

APEC provides Japan with a means to show Asia that its activities are inspired by a desire to work for the development of the Asia Pacific region in a cooperative fashion, and not as part of a hegemonic or militaristic strategy for Asia. Newspaper articles have indicated as much, with headlines like 'Japan seeking to strengthen ties in Asia'³⁸ and 'We Need an Asian Policy, not 'Asianism''³⁹ The low-key approach that Japan took to APEC in the early years has been ascribed to Japan's approach to its relations with Asia, and Southeast Asia in particular.⁴⁰ According to MITI officials, MITI urged Australia, a less threatening country in the region, to

³⁴ Even the Japanese dispatch of minesweepers to the Persian Gulf after the Gulf War required careful consultation with other Asian governments to allay any suspicions.

³⁵ Personal interview with Kusaka Sumio, 3 September 1996.

³⁶ Personal interview with Sumio Kusaka, 3 September 1996. Kusaka stated that the Asia-US-Japan triangle had seen US\$240 billion worth of trade, with 60 per cent increases in both imports and exports over four years.

³⁷ Personal interview with Kusaka Sumio, 3 September 1996.

³⁸ 'Japan seeking to strengthen ties in Asia', *The Nikkei Weekly*, 8 February 1993.

³⁹ '[Ajia-shugi] denai Ajia gaikō o', ('We Need an Asian Policy, not 'Asianism)'), *Gaikō Forum*, no. 65, February 1994, pp. 52-58.

⁴⁰ Yōichi Funabashi subscribes to this view in *Asia Pacific Fusion*.

implement the idea of a regional economic forum in the late 1980s. Japan's fear of intimidating its Asian neighbours with a program not dissimilar from that of the Greater East Asia Co-Prosperity Sphere ensured that Japan kept a relatively low profile in APEC's formative years, and 'conspicuously refrained from asserting influence over the APEC process'.⁴¹

The cooperative and supportive role that Japan has taken in APEC may also encourage Asia Pacific nations to look on Japan as less of an 'economic power house' and source of aid, and more as a partner.⁴² That Japan is perceived in this way by its Asian neighbours is important to many Japanese people. Some Japanese saw the East Asian Economic Caucus (EAEC)⁴³ as an invitation from Asia that they should not refuse, as the forum could be used 'for developing and affirming an Asia-Pacific identity'.⁴⁴ The concept of an East Asian Economic group alerted many intellectuals in Japan and elsewhere to the possibilities for new regional relations because it dismissed any threat of Japanese aggression and indicated a new sense of trust. It therefore signalled the emergence of a new attitude towards Japan from other countries in Asia, such as Malaysia, Indonesia and Singapore. Japan has remained reluctant to embrace this proposal because of the anti-American sentiment that appeared to accompany it. Instead, the Japanese government saw fit to use the APEC forum, which favoured neither Asia nor the USA, but embraced both, to promote Japan's non-aggressive role in an Asia Pacific community.

⁴¹ Yōichi Funabashi, *Asia Pacific Fusion*, p. 192.

⁴² Personal interview with Keiichi Higuchi, 4 September 1996.

⁴³ The EAEC was proposed by Malaysian Prime Minister Mahathir in 1991. The concept would embrace ASEAN, Hong Kong, China, South Korea, Taiwan, Japan and other countries in the Indochina region. The grouping was said to be a low-level economic alliance that provided both protection and a voice for the members within the global economy.

Japan's strategy to prove its good intentions to Asia may also be seen in Japan's strict adherence to the three APEC pillars: liberalisation, facilitation and cooperation.⁴⁵ Japanese commentary frequently berates non-Asian APEC members for being too closely focused on liberalisation and setting schedules. According to MITI officials, Australian officials were eager to set specific agenda items, clearly aimed at trade liberalisation.⁴⁶ MITI, anxious to encourage the development of ASEAN, focused on promoting economic growth and development. Japan has concentrated on ASEAN relations because its resistance to Japan is less pronounced than that of Northeast Asia. APEC allowed Japan to focus on Southeast Asia without causing regional concerns. Furthermore, Japan was able to advance its ideas for economic development in five principles framed in terms of APEC's objectives, and through APEC, proposed standardised economic statistics, intellectual property rights, and specifications for industrial products in the region. Japan has also suggested business management training and personnel exchanges.⁴⁷

According to one Japanese academic, Japan's focus on trade liberalisation, facilitation and development is the result of Japan's economic development since WWII.⁴⁸ Japan has transformed from a developing economy into a major industrialised global force. In contrast, non-Asian economies of APEC have not experienced this type of transformation, and focus primarily on bettering their own economies.⁴⁹ Japan's policy towards Asia includes development initiatives such as human resources training, expanded economic cooperation and promotion of

⁴⁴ Akio Watanabe, 'What is Asia-Pacific Regionalism?' *Japan Review of International Affairs*, Summer 1995, pp.189-94, esp. p. 193. Watanabe is a Professor of international relations at Aoyama Gakuin University.

⁴⁵ Personal interview with Takashi Terada, 18 September 1996.

⁴⁶ Yōichi Funabashi, *Asia Pacific Fusion*, p. 66.

⁴⁷ Yōichi Funabashi, *Asia Pacific Fusion*, p. 193.

⁴⁸ Personal interview with Takashi Terada, 18 September 1996.

technological exchanges, as well as the facilitation of foreign direct investment (FDI) and expanded imports.⁵⁰ Adhering to the APEC objectives ideally complements Japan's policy on Asia. In particular, Japan's actions within APEC endear Asia to Japan, rather than causing alarm.

The Japanese government and various commentators have been aware for some time of the value of APEC as a neutral setting for advancing policy initiatives. The MOFA-produced *Gaikō Forum (Foreign Relations/Diplomatic Forum)*, a monthly periodical in the vernacular, has provided a steady stream of articles on APEC since its inception; perhaps suggesting the that MOFA has been promoting and nurturing the APEC concept in Japan. (Refer to Appendices B & C.) Japanese academics wrote in 1993 that 'APEC is the opportunity for members to get together and discuss issues which are of significance to the region'.⁵¹ Others call it the 'hidden agenda' of APEC.⁵² Some Japanese commentators believe that APEC enables eighteen leaders from the region to discuss issues, mainly economic, but also to improve political and strategic relations by strengthening personal relationships. It is argued that this is a very good way of stabilising the regional political and strategic situation without raising the ire of China or others. Japan used the 1996 Subic Bay summit to announce and discuss bilateral issues with various nations: officials saw fit to announce a new yen loan package worth 124.3 billion yen (US\$1.11 billion) for the Philippines; and significant advances were made in China-Japan relations, which were at a relative low point. Prime Minister Hashimoto met with China's President Jiang Zemin and reassured him about the Diaoyu/Sankaku Island dispute, and reiterated an apology over Japan's wartime

⁴⁹ Personal interview with Takashi Terada, 18 September 1996.

⁵⁰ Yōichi Funabashi, *Asia Pacific Fusion*, p. 193.

⁵¹ M. Inouchi & T. Terada, 'Asia Pacific Economic Cooperation and Australia-Japan Relations', p. 10.

⁵² Personal interview with Sumio Kusaka, 3 September 1996.

aggression. During further discussion, Hashimoto told President Jiang that Japan would not return to militarism, reassuring him that moves to strengthen security ties with the USA were not directed at any other country. He also said that Japan did not support the independence of Taiwan. To wrap up the talks, Jiang was invited to pay a state visit to Japan in 1997, the 25th anniversary of the resumption of diplomatic relations between Japan and China. The situation also allowed Jiang to thank Japan for restarting work on a 5.3 billion yen loan package for 1996-1999, which was halted during Chinese nuclear testing. Japan's continued support for China's bid to join the WTO was also raised. The relaxed 'informal' atmosphere of the APEC leaders' summits, creates a good environment for regional leaders to discuss a broad spectrum of issues, especially bilaterally. According to one official, there is no other forum which enables regional leaders to come together on a regular basis and talk to so many other leaders.⁵³

Leadership and Bridging

Japan's early approach to APEC reflected Japan's cautious nurturing of a relationship with Asia, particularly one with Southeast Asia. The so-called Hashimoto Doctrine, proposed by Prime Minister Hashimoto in January 1997 to broaden the Japan-ASEAN partnership, however, signalled a more assertive approach to Japanese leadership in the Asian region. It is also indicative of a determination by Japan to play an international role commensurate with its economic status. Japan is becoming more willing to translate its economic power into diplomatic clout. Japan's efforts should not necessarily be seen as inspired by national pride or political ego, but because it sees Asia as almost ready to assume its place alongside Europe and the USA. Tokyo believes that it can help facilitate Asia's transition from developing region to international powerhouse. There is a

⁵³ Personal interview with Sumio Kusaka, 3 September 1996.

need in the region for stronger, but not self-centred, leadership, and Japan believes that it is in a position to take that lead.

The economic focus of APEC is a great advantage for Japan, in that it takes pride in economic expertise and not military might. As definitions of power change with the end of the Cold War, Japan can seize the opportunity to define a new global role for itself. To date, this has been hampered by a number of factors, including Japan's wartime legacy, a Japanese tendency towards consensus building, the USA's strong influence and domestic political instability.⁵⁴ Japan's intentions, with regard to APEC, have been slow to emerge for similar reasons. However, this may be gradually changing as Japan appears to be experimenting with new varieties of leadership within APEC.

Leadership

The success of the APEC summit in Osaka was dependent on 'Japan's strong leadership' according to Ippei Yamazawa.⁵⁵ While this comment particularly referred to Japan's hosting of the Osaka summit, many Japanese media reports focus on Japanese leadership in the Asia Pacific. Articles like 'Japan is urged to weigh role as world trade shifts to Asia',⁵⁶ 'Australia asks Japan to help build forum for cooperation in Asia',⁵⁷ and 'Japan as a Leader in the Creation of Open Markets',⁵⁸ reflect Japan's desire to be recognised as an important regional or global player. The potential for Japan to act, and be accepted, as a leader in Asia remains a constant theme throughout Japanese media reporting on APEC. Despite Japan's

⁵⁴ Yōichi Funabashi, *Asia Pacific Fusion*, p. 220.

⁵⁵ 'Strong leadership by Japan is essential', *The Japan Times (Bound Volume)*, 16 November, 1995, p. 354.

⁵⁶ 'Japan is urged to weigh role as world trade shifts to Asia', *The Japan Times (Bound Volume)*, May 1989.

⁵⁷ 'Australia asks Japan to help build forum for cooperation in Asia', *The Japan Times (Bound Volume)*, February 1989.

reluctance to boldly demonstrate its leadership ability in the post-war period, there is clearly a sense that Japan has leadership potential. Despite Asians being sensitive to Japanese leadership, one government official said, 'we [Japan] can play an important role in Asia'.⁵⁹ Through APEC, Asian countries can adjust to the role that Japan wants to play. In this sense, APEC allows Japan to closely integrate with Asia on equal terms, without raising Asian fears.⁶⁰ Newspaper headlines like 'Japan expertise vital to Asia's financial growth',⁶¹ 'Japan as a Leader in the Creation of Open Markets',⁶² and 'Japan's Conduct as an Asia Pacific Model'⁶³ suggest there is a new desire to show Asia that it has something positive to offer and need not be feared.

Part of the reason for Japan's low-key role in APEC in the first few years was related to Southeast Asian fears that the withdrawal of the USA would result in Japan's domination of the region. This attitude changed in late 1993 when the Clinton administration showed new interest in the region and APEC. With APEC's profile at new heights, and with no threat of the USA withdrawing, the Japanese government had the opportunity to show Asia its cooperative nature and communicate its hopes for the future prosperity of the Asia Pacific. Japan sought to remind Asia and the Japanese people that APEC was initially a MITI suggestion.⁶⁴ With Southeast Asia comforted by US assurances, Japan was able to publicly support APEC, and in doing so, strengthen its credibility with the Asian nations.

⁵⁸ 'Japan as a Leader in the Creation of Open Markets', *Gaikō Forum*, no. 85, October 1995, pp. 68-70.

⁵⁹ Personal interview with Sumio Kusaka, 3 September 1996.

⁶⁰ Personal interview with Sumio Kusaka, 3 September 1996.

⁶¹ 'Japan expertise vital to Asia's financial growth', *The Nikkei Weekly*, 18 December 1995.

⁶² 'Nihon wa kaihō teki na shijō keishiki no sendō yaku ni nare' ('Japan as a Leader in the Creation of Open Markets'), *Gaikō Forum*, no. 85, October 1995, pp. 68-70.

⁶³ 'Nihon wa Ajia Taiheiyō no daihyō toshite no kōdō o' ('Japan's conduct as an Asia Pacific Model', *Gaikō Forum*, no. 56, May 1993, pp. 22-39.

⁶⁴ One headline informs readers that 'MITI Claims Main Behind-the-Scenes Role in Group's Founding'.

While US assurances comforted Southeast Asian insecurities, the change also led to improved relations between MITI and MOFA over APEC, allowing a more cooperative relationship between the two. According to some Japanese academics, the change in tack resulted from MOFA recognising the following factors:

1. APEC was becoming too important to oppose, especially with American support;
2. various ministries and agencies became involved in APEC negotiations, thus leaving MOFA little option but to take on the role of coordinator; and
3. the start of the APEC leaders' meeting in 1993 necessitated MOFA involvement as the Prime Minister's international activities are managed by it.⁶⁵

Leading in Osaka

Many Japanese saw the APEC Osaka meeting as a chance for Japan to show its true leadership potential. Japan was required to devise initiatives on behalf of the region instead of playing its usual supportive role. It was an opportunity to use its position to create understanding and cooperation.⁶⁶ To 'fulfill Japan's responsibilities as conference host', however, Japan had to incorporate initiatives that pleased both developing and developed economies. This was to be achieved by elaborating proposals to enhance current APEC programs for North-South economic cooperation, and by taking the lead in liberalising its own economy without demanding reciprocal concessions. By doing so, Japanese commentators felt that Japan would 'be in a position to take initiatives and assert political leadership'.⁶⁷

⁶⁵ A. Hirata, et al., 'Strategy toward APEC: the Case of Japan', in I. Yamazawa et al., *APEC: Cooperation from Diversity*, p. 37.

⁶⁶ Susumu Yamakage, 'Plotting APEC's Future: A Case for Holding the ASEAN Course', *Japan Review of International Affairs*, Vol.9, no.3, (Summer, 1995), pp. 199-204, p. 204-5.

⁶⁷ Susumu Yamakage, 'Plotting APEC's Future', p. 204.

The Osaka summit is recognised for the consensual and so-called Asian approach taken to reach the Osaka Action Agenda. The 'Asian approach' suggests a less structured and less bureaucratic approach to decision-making. At a press conference at the Osaka summit, Prime Minister Murayama stated that,

..the Action Agenda demonstrates the Asia Pacific Way, combining voluntary initiative with collective actions based on the momentum for voluntary liberalisation which already exists in this region. With continuing efforts and close consultation among the members' economies, I believe that this is the only practical and effective means for advancing liberalisation in this diverse region.⁶⁸

Japan was keen to impress upon the members that APEC should be a forum which relies less on institutionalism and more on consensus and flexibility. Newspaper headlines reminded readers that 'Gradual Asia Development [is] To Be Urged'.⁶⁹ This is considered to be very much in line with the 'Asian approach' and while this approach may have been natural to Japan, it also endeared Japan to Asia. Newspaper headlines reinforced this idea with articles reporting that 'Japan's job at APEC summit is to inject 'Asian way' of doing things'.⁷⁰ The Japanese government wanted to show Asia that by focusing on consensus decision-making, it was not ruled by its relations with the USA.⁷¹ Asian nations have long despaired of the legalistic, adversarial 'American' approach to decision-making in the region. Japan

⁶⁸ Tomiichi Murayama, 'Opening remarks at the press conference by Prime Minister Tomiichi Murayama' in *APEC 1995 Osaka Official Information*, [<http://Japan.tokio.co.jp/osaka/info/murayama.html>], 19 November 1995.

⁶⁹ 'Gradual Asia Development To Be Urged', *The Japan Times*, 18 November 1993.

⁷⁰ 'Japan's job at APEC summit is to inject 'Asian way' of doing things', *The Nikkei Weekly*, 7 August 1995.

⁷¹ Some international commentators suggested that Japan's 'Asian approach' was being used as a means to selectively approach free trade, especially in the area of agriculture.

was prepared to support the Asian developing nations in resolving the differing stages of economic development, without siding with, or succumbing to, American pressure. With Japan as the host of the Osaka summit, it received much of the accolade for that achievement, especially from its Asian neighbours. The attitude that Japan took as host of the Osaka summit, is probably the strongest stance Japan has taken on behalf of Asia. This was evident in the media coverage of APEC (Refer to Appendix B: Graphs) which shows a gradual increase in interest, reaching its highest point in November 1995 when Japan hosted the summit, before a big decline in 1996. Perhaps this is indicative of the importance of foreign policy, rather than APEC. The APEC forum allowed Japan to achieve significant and comprehensive in-roads into achieving its Asia policy.

Southeast Asian Partners for Progress

Japan's desire to endear itself to Asia may also be evident in the 'Partners for Progress' (PFP) proposal. The proposal was raised in Jakarta in 1994 and again in Osaka in 1995, to address cooperation between developed and developing economies in the areas of financial, human, natural and administrative resources.⁷² The scheme called for the establishment of a special unit separate from the APEC Secretariat that would promote economic and technical cooperation among member nations. A country interested in one of the projects would volunteer to take responsibility for conducting the project, while inviting other members to participate. In the early stages, many APEC members objected to the Japanese proposal as it did not make clear how voluntary and obligatory steps towards liberalisation would be decided. Some members feared that this initiative detracted from APEC's bold liberalisation goals. The USA, in particular, objected to Japan's plan calling for APEC members to liberalise trade and investment unilaterally without reciprocity on

For example, Robert Garran, 'Japan sees free trade flexibility as APEC's strength', *The Weekend Australian*, November 25-26, 1995, p.14.

the part of other members. Some political analysts attributed Japan's generosity in assisting developing countries to political, emotional, historical and humanitarian concerns.⁷³ The Japanese government, however, explained that the proposal directly reflected Japan's approach to APEC, in that it sought to promote facilitation and development, not just liberalisation.⁷⁴ Former Prime Minister, Murayama, stated that Japan's readiness to contribute 'a total of up to 10 billion (no currency specified) to the APEC Central Fund...in support of appropriate cooperative projects related to the liberalisation and facilitation of trade and investment, including PFP...'.⁷⁵ The Japanese government suggested that the PFP would complement and promote APEC, rather than detract from APEC's liberalisation goals. Like Japan's approach to the Osaka summit, the PFP proposal, which would benefit developing Asian nations over other APEC members, is indicative of Japan's Asia policy.

Bridging

Japan's history of using Asia as a springboard to the West is no longer relevant in Japan's foreign policy as Asia has become too important in its own right. However, the image of Japan acting as a 'bridge' between 'North and South' or 'East and West' still rings true for many Japanese people. Japan can use its position of being culturally and geographically Asian, and its experience in the industrialised, western world to position itself in the international arena. The APEC forum is an obvious place for Japan to display this unique position. It can endear itself to both the USA or to the Asian economies by offering its services to act as a bridge between the

⁷² Viable projects drafted under this scheme were intellectual property, direct overseas capital investment, and training small-business experts.

⁷³ It has been said that one model of Japanese aid incorporates a vision of an economically integrated Asia in which countries at all stages of development become interlinked through patterns of aid, trade and investment. Japan, as the most developed Asian nation, would be at the top of the pyramid. This argument is put forth by S.J. Pharr, 'Japanese Aid in the New World Order'. In C.C. Garby et al., *Japan A New Kind of Superpower*.

⁷⁴ Personal interview with Takashi Terada, 18 September 1996.

two. This perspective is prevalent in media reporting, with headlines declaring 'Japan Should Try to Bridge the Gap between APEC Members on Trade',⁷⁶ 'Tokyo Set to Play APEC Mediator - US, Asia Expected to Take Divergent Stands on Issues'⁷⁷ and 'Japan Aims to be Mediator'.⁷⁸ The Japanese people took this bridging role particularly seriously at the Osaka summit, seeing its position as of pivotal importance to the forum.⁷⁹

The EAEC

Hopes of a role for Japan as a bridge were unsettled by the Malaysian proposal for the EAEC in December 1990.⁸⁰ The Caucus virtually proposed a split between Asia and the West in the form of an Asian cooperative that excluded the USA. The Japanese government was concerned that the EAEC excluded the USA, Australia, Canada and New Zealand, and instead encouraged Asia Pacific nations to rally for the completion of the Uruguay Round of GATT. Although the EAEC presented Japan with a grouping of its own, it conflicted with Japan's vision for globalisation. Japan had already been espousing that regional trade blocs could escalate friction and protectionism. The EAEC proposal put Japan in the centre of any friction that could drive a wedge through the middle of its already tenuous relations with the USA. The USA formally told the Japanese government that it was opposed to the plan for an EAEC, stating that the Caucus would have a negative impact on the

⁷⁵ Murayama Tomiichi, 'Opening remarks at the press conference by Prime Minister Tomiichi Murayama' in *APEC 1995 Osaka Official Information*, 19 November 1995.

⁷⁶ 'Japan should try to bridge the gap between APEC members on trade', *The Nikkei Weekly*, 27 February, 1995.

⁷⁷ 'Tokyo Set to Play APEC Mediator - US, Asia Expected to Take Divergent Stands on Issues', *The Nikkei Weekly*, 15 November 1993. Also, '[Kakehashi kokka] Nihon to APEC' ('Japan as a bridge for APEC'), *Shūkan Tōyō Keizai*, 11 November 1995, pp. 88-91.

⁷⁸ 'Japan Aims To Be Mediator', *The Japan Times*, 17 November 1993, p. 3.

⁷⁹ For example, 'Japan: APEC wants trade pace set by Japan bridging', *The Japan Times (Bound Volume)* February 1995, 'Japan urged to lead APEC by cutting trade barriers', December 1995, and 'Japan urged to lead APEC', *The Japan Times (Bound Volume)* May 1995.

⁸⁰ The proposal was raised in December 1990, but was originally called the 'East Asia Economic Group'.

APEC forum. The formal statement by the USA made it very difficult for Japan to accept an invitation to join the EAEC.

Asian Acceptance?

On the other hand, the Japanese felt honoured at being asked to lead an Asian grouping.⁸¹ Given Japan's relations with ASEAN and its extensive investment and trade involvement in the Asian region, Japan did not want to be left out of a grouping like the EAEC. Criticism from Malaysia that Japan's position was dependent on the USA irritated many Japanese, giving rise to anti-American sentiments. In fact, criticism by the Malaysian Ambassador over Japanese reticence to join the EAEC, resulted in an announcement two days later that Japan would attend a luncheon⁸² with prospective members of the Caucus. Japanese officials stated that they would attend in order to discuss regional issues, the ARF and other issues of common interest, rather than the EAEC proposal. Ironically, while at the luncheon, Japanese representatives made it clear that the USA needed to be in support of the Caucus before Tokyo would agree to join. While Japan has been reluctant to commit itself to the EAEC, it is always careful not to criticise or voice opposition to the EAEC proposal. Japan does not want to harm its relations with Asia any more than it does with the USA.

The Japanese belief that the EAEC could 'dilute the cohesiveness and force of APEC'⁸³ was not unexpected. Even if the Japanese government views APEC as of relatively low-level significance in the global scheme of things, it still serves to promote Japan's USA and Asia policies. With APEC's current strength and momentum, Japanese bureaucrats believe 'there is no overriding reason to try our

⁸¹ For example 'Japan leadership urged for Asian bloc plan', *The Japan Times (Bound Volume)*, 3 April 1991.

⁸² The meeting was held on 25 July 1994 in Bangkok.

⁸³ Personal interview with Keiichi Higuchi, 4 September 1996.

luck at EAEC'.⁸⁴ The suggestion that the EAEC simply work as a group within APEC was also seen by APEC supporters as a potential source of conflict, because it would be unsettled by a grouping with alternate objectives. Nevertheless, the EAEC has not been totally rejected by Japan because it was put forward by one of the region's political leaders. Japan has supported the ideas of Bob Hawke and Paul Keating on APEC, and Bill Clinton for the leaders' summit. A complete rejection of the EAEC proposal would be considered a loss of face by Malaysia's Prime Minister Mahathir. The Japanese government wants to avoid this at all costs, and therefore maintains that the EAEC requires high level attention and should remain as a discussion point at the top political level.⁸⁵

Many Japanese commentators see the role of Japan bridging East and West as a very important function. Whether Asia thinks it needs a bridge to the West does not appear to be an issue by the Japanese. Instead, they appear to spend much time pondering how best to achieve it, even in an article, 'How to Unite the Faces of Asia and the Advanced Countries'.⁸⁶ Because of the emphasis that Japan places in bridging, it appears to be more interested in APEC than the EAEC concept.⁸⁷ APEC allows Japan to play its role as bridge between Asia and the West, a position within which Japan is comfortable. The Japanese government believes that while acceptance of the EAEC concept might endear Japan to Asia, it would impair US-Japan relations. It would also mean excluding two useful allies in the Pacific: Australia and New Zealand.

⁸⁴ Personal interview with Keiichi Higuchi, 4 September 1996.

⁸⁵ Personal interview with Sumio Kusaka, 3 September 1996.

⁸⁶ 'Ajia no kao to senshin koku no kao o dō musubu ka' ('How to Unite the Faces of Asia and the Advanced Countries'), *Shūkan Tōyō Keizai*, 13 July 1991, p. 78.

⁸⁷ Personal interview with Sumio Kusaka, 3 September 1996.

Regional Security

Before Japan can assume a leadership role in Asia, it must first settle some of the still smouldering disputes left from Japan's imperialist days. The major issue is recognising and apologising for Japan's aggression before and during WWII. Some efforts have been made to settle accounts with the so-called Korean 'comfort women', but most Asian nations do not feel that these efforts have been sincere or adequate. Japanese aggression during the war, however, is only part of the problem. That Japan has mostly adopted a superior attitude to Asia since the Meiji era, is another issue that must be dealt with. Fukuzawa Yukichi's slogan 'Datsu-A nyū-Ō' or 'Out of Asia, into Europe' has mostly been the course Japan has taken for over one hundred years, although perhaps it should have read 'Out of Asia, into the USA'. The Japanese need to cooperate with Asia on an even keel if Japan is to be accepted by its Asian neighbours.

Asian Insistence on an American Presence

As has been discussed, APEC is serving the Japanese government by helping Japan renew its relations with Asia after Japan's aggressive posture during the 1930s and '40s. Although APEC is an economic forum, it is now playing a small part in regional security. Due to Japan's wartime history, any shift in Japanese military capacity is closely watched by Asia, and Japan's neighbours are still alarmed by any independent action taken by Japan. While economic interaction often overcomes historical antagonism, any talk of Japan's rearmament raises concerns in Asia. Japan's current military expenditure of one per cent of Gross Domestic Product (GDP) is among the highest in the world.⁸⁸ Despite criticism of the US presence in the region by Japan and other Asian nations, most Asians prefer the stability afforded by US engagement. Japan's neighbours would grow

alarmed if there was a possibility of Japan withdrawing from the bilateral security treaty and its close alliance with the USA.⁸⁹ Japan has been wary of this view and studiously avoids talk of Japanese militarism. APEC engages the USA economically in the region, thus securing its military presence. The US presence allows Japan to amend its relations with Asia and to show its leadership and cooperation without raising concerns of Japanese bullying or re-militarisation. Japan's relations with the USA will be discussed in greater detail in the following chapter.

The Importance of China

China is sure to become one of the most powerful countries in the world and is on the way to becoming the world's second largest economy within the next decade, with the potential to surpass the USA early next century.⁹⁰ Some already believe that China accounts for about six per cent of the world's GDP, well above the share of G7 countries, except Japan and the USA. If only because of its population and the potential size of its economy, China probably poses the greatest security challenge in the Asia Pacific, if not the world. The uncertainty lies in how China will use its power and wealth. The high level of growth could lead to a subsequent rise in military expenditure. Asian countries fear that with China's return to wealth, it will resume its perception of itself as the 'middle kingdom', rather than as an equal participant in the global arena. However, the economic development of China is generally welcomed in the region, because it directs China's attention to cooperative relations with its neighbours and economic interdependence.⁹¹

⁸⁸ Poh-Ping Lee, 'Japan and the Asia Pacific Region: A Southeast Asian Perspective'. In CC Garby et al., *Japan A New Kind of Superpower?* p. 129.

⁸⁹ Yuichirō Nagatomi, 'Economic Regionalism and the EAEC', *Japan Review of International Affairs*, Vol. 9, no. 3, Summer 1995, pp. 206-211, esp. p. 209.

⁹⁰ Nicholas Lardy, *China in the World Economy*, (Washington: Institute for International Economics, 1994), pp. 116-19.

⁹¹ Stuart Harris, 'Conclusion: The Theory and Practice of Regional Cooperation' in A. Mack & J. Ravenhill (eds), *Pacific Cooperation: Building Economic and Security Regimes in the*

Considering the proximity of China to Japan, the Japanese government is all too aware of China's strategic potential, as described in articles entitled 'The Key to East Asia's Situation: China'⁹², 'The Asia Contest: China Power Takes Centre Stage'⁹³ and 'Rising Concerns with the Opening of China, and Chinese Reforms'⁹⁴ in Japanese journals. Many Japanese commentators believe that through APEC, Japan can peacefully engage China in the Asia Pacific.⁹⁵ China is not a member of the WTO, but is trying desperately to be one. China's good behaviour at APEC perhaps inspired by the desire to join the WTO; while APEC members use WTO membership as a carrot to regional cooperation. APEC enables China to participate in regional and global issues like no other forum;⁹⁶ as such, APEC serves as one of the mechanisms for the peaceful engagement of China. China's development is being measured by instituting cooperation, either by encouraging economic interdependence, or in collective security roles like the ARF. Japan and other Asia Pacific nations hope to bring China into a regional dialogue which emphasises economic and political cooperation, thus encouraging China into 'a web of restraining interdependencies'.⁹⁷ The argument is that this approach could be reinforced by dialogue on common security strategies, a situation that is frequently avoided by China.

Asia Pacific Region, (Canberra: Allen & Unwin in association with the Program on International Economics and Politics, East-West Center, Hawaii, & Dept of International Relations, RSPAS, ANU, Australia, 1994), pp. 256-269, esp. p.264.

⁹² 'Higashi Ajia jōsei no kagi Chūgoku' ('The Key to East Asia's Situation: China'), *Gaikō Forum*, no. 68, May 1994, pp. 20-56.

⁹³ 'Ajia kyōen: Omote butai ni tatta Chūgoku' ('The Asia Contest: China Power Takes Centre Stage'), *Shūkan Tōyō Keizai*, 2 November 1993.

⁹⁴ 'Chūgoku no kaikoku: kaihō ni takamaru kiki ishiki' ('Rising Concerns with the Opening of China, and Chinese Reforms'), *Shūkan Tōyō Keizai*, 15 October 1994, pp. 67-69.

⁹⁵ Personal interview with Sumio Kusaka, 3 September 1996.

⁹⁶ Personal interview with Sumio Kusaka, 3 September 1996.

⁹⁷ Stuart Harris, 'Conclusion: The Theory and Practice of Regional Cooperation', in A Mack et al., *Pacific Cooperation*, p.265.

APEC enables countries of the region, with sometimes volatile diplomatic relations, to come together to strengthen their economic relations. At the first APEC meeting in Canberra, the 'Three Chinas' - the People's Republic of China, Taiwan⁹⁸ and Hong Kong, were conspicuously missing. China's omission from an Asia Pacific organisation was described as 'like getting married without having a bride'.⁹⁹ Japan, however, was afraid that the immediate inclusion of China in APEC could politicise the grouping and thus derail it before it even started.¹⁰⁰ This stemmed from ASEAN's reluctance to include China, particularly without Hong Kong and Taiwan, as it feared that ASEAN's collective voice would be muted and that its life would be complicated by Beijing. Furthermore, Indonesia, Singapore and Brunei did not have formal diplomatic relations with China.¹⁰¹ The situation was further complicated for the original twelve members of APEC because of China's crackdown on student protesters in Tiananmen Square in June of that year.

China, Hong Kong and Taiwan, who joined in 1991, are now well entrenched in the APEC structure. The Seoul meeting was the first occasion that the three countries met in an official, multilateral capacity. The addition of these three gave APEC new impetus and status. One Japanese official described China as an 'indispensable piece of the jigsaw puzzle' and saw its inclusion as giving APEC credibility as an Asian forum.¹⁰² Another official clearly stated that,

[I]t is important to keep China in the circle. There is no other circle than APEC that enables China to participate in regional global relations. APEC educates China to work in this type of cooperative forum.¹⁰³

⁹⁸ Within the APEC forum, Taiwan is referred to as Chinese Taipei.

⁹⁹ Based on a personal interview with Bob Hawke by Yōichi Funabashi in *Asia Pacific Fusion*, p. 65.

¹⁰⁰ Yōichi Funabashi, *Asia Pacific Fusion*, p. 65.

¹⁰¹ Each has established formal ties since.

¹⁰² Personal interview with Irie Kazutomo, 18 September 1996.

¹⁰³ Personal interview with Sumio Kusaka, 3 September 1996.

The official saw APEC as a practice ground for China's eventual graduation to global fora like the WTO.

Japan clearly sees APEC diplomacy as an important means of managing China's development. APEC allows China to participate in the discussion of regional and global issues like no other forum. Furthermore, APEC's 'hidden agenda', that enables eighteen leaders from the region to discuss issues, mainly economic, but also to improve political and strategic relations by strengthening personal relationships. This is a very good way of stabilising the regional situation, without raising the ire of China or other Asian nations. While the ARF might suit this purpose, APEC too can play an important role.¹⁰⁴

Conclusion

The economic dynamism being experienced in the Asia Pacific, as well as the global trend towards internationalisation or globalism, lead directly to the instituting of the regional economic grouping known as Asia Pacific Economic Cooperation. In some streams of Japanese opinion, APEC was readily accepted in the region because it simply gave a name to regional interdependence, which was already happening of its own accord. Although reluctant to hastily implement deregulation and liberalisation, many Japanese commentators see that these reforms are necessary for Japanese economic security and future prosperity. The Japanese government sees the benefit in the removal of other economies' trade or investment impediments. The importance of economics was most frequently cited as the reason for Japan's involvement in APEC.

¹⁰⁴ Personal interview with Sumio Kusaka, 3 September 1996.

However, under the surface, there are streams of thought that consider that APEC is helping Japan improve its somewhat sullied regional relations with Asia, as a result of APEC negotiations. Japan has toed the APEC line very tentatively for fear of upsetting its Asian neighbours, and only showed a positive hand when Asian concerns were soothed by assurances of a continued US presence in the Asia Pacific. Japan's attention is clearly focused on Southeast Asia and developing Asian nations' requirements. It is these economies that will benefit from Japan's concentration on cooperation and development objectives, and initiatives like Partners for Progress. While this approach is often interpreted as Japan marketing itself into lucrative business deals, the Japanese government argues that it is Western member economies that selfishly focus on liberalisation.

APEC is also considered by some Japanese commentators as enabling positive steps by Japan towards leadership in the region, and perhaps beyond. This posture had been denied to Japan during the Cold War because of its wartime legacy in Asia and its subordination by the USA. Japan was keen to make a good impression as host of the Osaka Leaders' Summit and is prepared to make gradual concessions to its own domestic system, in order to give a good international impression. With already strong ties in the West, the immediate concern was with Asia. The Osaka Summit assumed an 'Asian approach' to decision-making that indicated deference for Asia and independence from the unilateralist USA.

There are some Japanese who consider APEC's employment of Japan's unique experience as a bridge between Asia and the West is beneficial. Japan sees this pivotal position as indispensable for Asia's future as a global player, and encourages all members of the Asia Pacific to respect this. Without such a role to play, it is perceived that Japan would lose some of its competitive advantage and

status in the region and the world. The combination of Western and Asian members in a regional economic forum is central to Japan retaining this advantage.

Although APEC is an economic forum, it plays an indirect role in the region's security. The Japanese government knows that Asia is comforted by a US military presence in the region, and therefore encourages US involvement in APEC. It is also argued that APEC encourages regional dialogue through frequent meetings between senior government officials and leaders. This aspect is considered particularly important in steering China towards a peaceful evolution of social and political structures, while frequent dialogue between leaders is considered a preventative measure to ward off any bilateral conflict.

While trade and investment is central to APEC, Asia is a central concern in Japan's foreign policy. The Japanese government's actions have a lot to do with how Japan wants to be perceived by Asia. Its relations with Asia have a direct impact on the way in which Japan acts within the forum. Adhering to the APEC objectives ideally complements Japan's policy on Asia.

Chapter 4. Japan and the USA

The Japanese like to say that if America is not suitable, then we always have Asia. However, the Japanese people do not understand how we are judged by the world, including Asia. Who would take seriously a Japan that does not have any ties with the United States?¹

Ichirō Ozawa

As we have seen in the previous chapter, Japan's self-image has been somewhat ambiguous: a country geographically and ethnically Asian, but one which has also embraced a Western culture. This chapter will outline the development of Japan's Western identity and trace its close relations with the USA. Japan's foreign policy, its institutions and attitudes are closely aligned with its development under the wing of the USA since World War II. More recent experience has seen a shift in US-Japan relations. Conflict over trade and security are central to this shift. Nevertheless, the maintenance of close links with the USA is still fundamental to Japanese foreign and defence policies. Most of this chapter will consider how APEC complements the Japanese government's policy of maintaining this extremely important and powerful partnership. The Japanese policy advocates a US presence in Asia for both security and economic purposes. It also advocates globalisation and a free trade system. Japan sees APEC as the link between these two objectives. APEC provides Japan with an economic incentive with which to encourage the US government to maintain its presence in the region. If this is not incentive enough, Japan knows that the USA does not want to be excluded from a region that, according to most commentary, will assume a position equal to that of North America and Europe.

¹ 'Editor's interview with Ozawa Ichiro', *Nikkei Business*, 31 October, 1995.

The policy changes being made within the USA and the voice of American public opinion being expressed since the end of the Cold War, have, however, made many speculate about the future of the USA's Asia policy. The creation of a regional trade arrangement in the form of the North America Free Trade Agreement (NAFTA)² which excludes most of Asia, as well as talks of a reduction in military forces in the Asia Pacific region have at times exacerbated these concerns. While many Asian people object to the heavy US influence in Asia, there is widespread belief that the withdrawal of the USA from Asia could have unsettling results in terms of both security and economics. Japanese leaders have been particularly keen to continue the US military presence in the region in order to maintain the status quo. A US departure could result in a power vacuum and subsequent arms race within the region. Japan and other Asia Pacific nations have seen APEC as a means of consolidating the USA's position in the region.

Foreign Policy - Japan's Western Identity

Japan has considered itself part of the industrialised West, with its diplomacy having been 'grounded in the Asia Pacific region' for almost forty years.³ The approach in the mid-1990s has shifted to one more focused on the international scene, with aspirations of engaging Europe at a level on par with its relationship with the USA.⁴ However, the emphasis on globalism in no way reduces the importance of Japan's relations with the USA. While Japan's new interest in Europe may be interpreted as a cooling of relations with the USA, Japan is actually seeking to strengthen relations with Europe, *not* reduce ties with the USA. Continued development of bilateral ties in the areas of politics, security, global cooperation and economic relations are part of the 'extremely important

² This grouping includes the USA, Canada, Mexico, and Chile.

³ According to the *Diplomatic Bluebook* series, Ministry of Foreign Affairs, approx. 1960-1990.

⁴ *Diplomatic Bluebook* 1995.

responsibilities' for the peace and prosperity of the world. It is of great importance for both countries to maintain the Japan-US security alliance⁵ and to coordinate on major political issues.

An Historical Perspective

There was a conscious decision to bring Western industrialisation to Japan around the time of the Meiji Restoration in 1868.⁶ The famous educator, Fukuzawa Yukichi (1835-1901), put forth an argument to 'dissociate from Asia' rather than forge partnerships with Asia's corrupt rulers, whom he called 'Japan's bad friends'. Sugita Junzan, mentioned earlier as a supporter of an Asian coalition, visited Qing China and changed his views in line with Fukuzawa's ideas. Sugita was devastated by the backwardness and ignorance of the Chinese leaders and feared that an alliance with them would drag Japan backwards, and render it vulnerable to Western colonisation. He subsequently changed his argument: encouraging Japan to join the West, rather than be swallowed by it.⁷

The Allied Occupation of Japan (1945-52) had an enormous influence on the physical and psychological development of Japan. The Peace Treaty between Japan and the USA which was signed in April 1952, expresses the desire of the two partners 'to strengthen the bonds of peace and friendship traditionally existing between them and to uphold the principles of democracy, individual liberty, and the

⁵ The *Japan-US Joint Declaration on Security - Alliance for the 21st Century* was signed by President Clinton and Prime Minister Hashimoto in April 1996. It was the result of an intensive review of the political and security environment in the Asia Pacific region by the US and Japanese governments. The Joint Declaration is the first since the 1978 Guidelines for Japan-US Defence Cooperation. *Japan-US Joint Declaration on Security*, MOFA, [http://Japan-US.tokio.co.jp/in_Japan/security.html].

⁶ Note 'Western industrialisation' is used rather than just 'industrialisation'. This is in line with Morris Low's thesis that urbanisation and industrial development had occurred during the Tokugawa period (c. 1600-1868), prior to the arrival of Americans led by Commodore Matthew Perry in 1853-54. See M. Low, 'Stagnation or Development? Japanese Science and Technology before Perry', *The Asia-Pacific Magazine*, May, 1996, pp. 33-37.

⁷ Yōichi Funabashi, *Asia Pacific Fusion*, p. 224.

rule of law'.⁸ Some believe that the Occupation and subsequent tutelage through the Cold War helped make Japan the success that it is today.⁹ For example, Yoshida Shigeru, an early post-war Prime Minister (1946-47, 1948-54), wrote that Japan should side with the West both in pursuing economic growth and in playing a part in the Cold War.¹⁰ Although this was a staunchly anti-communist position, he was, in many respects, continuing the foreign policy tradition set in the Meiji era. Yoshida saw the economies and industrial bases of Asia and Africa as underdeveloped, describing them as 'backward societies with low living standards'.¹¹ As such, he asserted that Japan could not have 'join[ed] hands with these countries to resist the former colonialist powers, especially America, Britain and France' as some contemporary reformist intellectuals were suggesting.¹²

During (and after) Japan's occupation by the Allied Powers, Japan adopted (either voluntarily or under US insistence) a number of US institutions and attitudes. During this period Japan became known as America's 'little brother' or the American shadow. At times the Japanese government saw itself as part of Asia and sometimes as a member of the West. However, its view of Asia was more of a poor cousin than a close brother. It held the view that as an industrially advanced 'Western' nation that had 'developed' economically and politically, Japan would assist the poorer, less democratic countries of Asia.¹³ This attitude began as early as 1955, when Japan attended the Afro-Asian Conference or Bandung Conference,

⁸ Hugh Cortazzi, *Modern Japan A Concise Survey* (London: MacMillan, 1993) p. 82.

⁹ Others like Etō Jun, in 'A Nation in Search of Reality' (1970), *Japan Echo*, Special Issue - Japan's View of the World, 1995, pp. 63-71, believed that the Japanese identity would remain in a world of make-believe until the USA exited the Japanese realm.

¹⁰ Shigeru Yoshida, 'The Coordinates of Japan's Foreign Policy' (1957), *Japan Echo*, Special Issue - Japan's View of the World, 1995, pp. 51-55. (Translated from Kaisō Jūnen (*Recollections of Ten Years*) (Tokyo: Shinchōsha, 1957, Vol.1).

¹¹ Shigeru Yoshida, 'The Coordinates of Japan's Foreign Policy', pp. 51-55.

¹² Shigeru Yoshida, 'The Coordinates of Japan's Foreign Policy', pp. 51-55.

¹³ Kazuo Ogura, 'Japan's Asia Policy, Past and Future', *Japan Review of International Affairs*, Winter 1996, pp.3-15, esp. 7.

which launched the Non-Aligned Movement. This was the first major international conference that Japan had attended since the war, and appeared to be an attempt by Japan to gain readmission to the 'Asian family of nations'. However, there was some suggestion that Japan attended the conference under the instruction of the USA, who saw it as communist-inspired and fertile ground for communist propaganda. The USA hoped that the presence of Japan and the Philippines would 'counteract any put-up deals promoted by communists or their fellow travellers'.¹⁴ There was a strong sense that Japan was more concerned about the international ramifications of its participation in the conference. The conference was effectively a gathering for third world nations with a history of peripheral economies, which sought to resist Western control. Japan did not feel the euphoria that brought the other countries together, nor did it want to be considered as a third world economy. The Foreign Minister, Shigemitsu Mamoru, stated that 'Japan might be able to change the negative tone of the conference into a positive one'.¹⁵

Present-Day Relations

With the end of the Cold War and the demise of the bi-polar world, there is a school of thought that believes Japan has come to an historic turning point: it is time for Japan to cut loose from its American apron strings. Some cite evidence of this occurring, such as standing up to US threats over trade, signs of greater Japanese leadership, and involvement in the Asia Pacific. Others believe that Japan is still playing a role in the USA's strategy for Asia.¹⁶ Japanese actions within the Asia Pacific, whether it be the provision of economic aid, the encouragement of free trade, conduct of dialogue on regional security, or promotion of investment and technical cooperation, have been interpreted as both Americanism and Asianism.

¹⁴ Kweku Ampiah, 'Japan at the Bandung Conference: The Cat Goes To The Mice's Convention', *Japan Forum*, Vol. 7, No. 1, April 1995, pp. 15-23, esp. p. 16.

¹⁵ Kweku Ampiah, 'Japan at the Bandung Conference', p. 19.

Any change in US-Japan relations is set against the background of significant conflicts between the Japanese and US governments; in trade, most notably involving the automobile and photographic film industries, and over military-related matters such as the rape of an Okinawan school girl by Okinawan-based US military personnel. The US government argues that Japan's market is closed to free trade. Many US government administrations have sought to push for 'results oriented' policies and 'quantitative indicators'. These so-called bilateral initiatives have resulted in market oriented, sector specific (MOSS) agreements, structural impediments initiatives (SII), voluntary import expansion (VIEs) and voluntary export restraints (VERs). Japan, which claims to have mostly open markets, objects to these unilateralist measures, and has recently responded by threatening to seek WTO intervention.

The division caused by disputes over trade is probably best illustrated by the Bush administration's decision to expand the US-Canada Free Trade Agreement to include Mexico in 1989, and later specific Asia Pacific nations. Japan was not one of those invited to join the trade bloc. This arrangement would become known as NAFTA. Warnings of the possible effects that this bloc could have on Japan were included in MITI's 1988 Sakamoto Report.¹⁷ The report recommended the creation of an Asia Pacific economic forum to avert the division of the world economy into competing regional blocs. It recognised the critical state of the global economy and argued that the region should stop depending on the USA and develop the region's economy and trade structure through role-sharing cooperation. It also considered that the Organisation for Economic Cooperation and Development (OECD) model was too rigid and should be changed to suit the Asia Pacific to something more like

¹⁶ This is according to once Japanese Deputy Vice-minister for Foreign Affairs in his article, Kazuo Ogura, 'Japan's Asia Policy, Past and Future', p. 8.

¹⁷ Yōichi Funabashi, *Asia Pacific Fusion*, p. 108.

ASEAN: by operating a regional forum through consensus, gradual progress, and remaining open to other regions. It suggested that Japan could assist in this development by expanding its imports, increasing its FDI in the region and supporting human resources development.¹⁸ Fortunately for Japan, most Asia Pacific nations saw the prospect of a bilateral free trade agreement with the world's largest economy as a threat.¹⁹ Many believed that they would be subordinated by US demands, and instead of embracing the American proposal, they pursued the less threatening grouping that became APEC.

It is a commonly-held idea in Japan that 'the prosperity and stability of the region is not only based on cooperation among Asian countries but is unattainable without US involvement'.²⁰ In Asia the US security presence is considered by many as integral to the region's stability. For this reason, the Japan-US Security Alliance was renewed in April 1996. Nevertheless, the stationing of US troops on Japanese territory has been one of contention for both nations. The majority of the Japanese public objects to the US military presence, especially after the rape of a twelve year old Okinawan school girl by three US military personnel in 1995, which exacerbated this attitude and fuelled calls for a reduction in the US military presence. It highlighted the deep divisions in US-Japan relations and the security alliance. This is part of a broader anti-American sentiment in Japan today. In October 1995, 40.2 per cent of people polled believed that the US-Japan Security Treaty should be abolished.²¹ The American public has also called for a change in the security

¹⁸ Yōichi Funabashi, *Asia Pacific Fusion Japan's Role in APEC*, (Washington DC: Institute for International Economics, 1995), pp. 58-61.

¹⁹ Yōichi Funabashi, *Asia Pacific Fusion*, p. 108.

²⁰ Text of speech given by Japan's Foreign Minister, Ministry of Foreign Affairs, Japan, *Japan's Role in Asia-Pacific Regional Cooperation*, July 1995, (<http://www.nttl.co.jp/infomofa/apecinfo/www/role/mspeech/spches3.htm>).

²¹ According to an article 'Japan's Security Dilemma', *The Weekend Australian*, 28-29 October 1995, p. 30. A poll was taken by the Nihon Keizai newspaper in late October 1995.

alliance. It is less willing to bear the costs of the military burden which the USA assumed during the Cold War.²² With US insistence on greater 'burden sharing' by Japan, there is the possibility of more joint US-Japan leadership initiatives in the region. However, this is less a desire to share its leadership in the Asia Pacific, and more an attempt to end Japan 'free-riding' on US defence spending.

APEC, Japan & the USA

The very sources of US-Japan conflict over trade and security can be found as the pillars of APEC. Australia's original plans for a regional economic forum did not include the USA,²³ but focused on Asia and the Southwest Pacific. It was on Japan's insistence that the USA became a member.²⁴ Although Japan wanted to counter regional trade groupings, especially NAFTA, the government decided to engage the USA in its own regional grouping. This would encourage it to minimise protectionism, and would avoid raising its ire by excluding it. The decision to include the USA was considered necessary for the very future of regional prosperity and security. It was believed that by including the USA, its attention would be focused on the Asia Pacific region, and not on North America.²⁵

In addition, some Japanese believed that APEC allowed Japan to avoid one of its most difficult questions.²⁶ Prior to the creation of APEC, Japan was always asked, 'which do you prefer? East Asia or the USA?' This was always a difficult question to answer. One government official said that the APEC forum makes it easy to answer 'both'. The USA is important to Japan as a market for Japanese goods,

²² Richard Higgott, 'APEC: A Sceptical View', p. 78-79. In A. Mack et al., *Pacific Cooperation*.

²³ Yuichirō Nagatomi, 'Economic Regionalism and the EAEC', *Japan Review of International Affairs*, Vol. 9, no. 3, Summer 1995, pp. 206-211, esp. p. 210.

²⁴ Yōichi Funabashi, *Asia Pacific Fusion*, pp. 55-73.

²⁵ Yōichi Funabashi, *Asia Pacific Fusion*, pp. 55-73.

²⁶ Personal Interview with Sumio Kusaka, 3 September 1996.

and as part of security arrangements in the Asia Pacific. 'Their security presence is a key to regional peace',²⁷ and limits its 'tendency for isolationism'.²⁸

As discussed in the previous chapter, Japan appeared to react cautiously to APEC in its early years. Some explain this as sensitivity to ASEAN's uncertainty for the forum, but close attention to US attitudes may also have contributed. The 1992 APEC Ministerial Meeting was a significant occasion in that the EPG was established, and there was an increase in APEC membership from fifteen to seventeen members. However, neither the USA, Japan nor Canada sent ministerial-level delegates to the ministers' Bangkok meeting. Analysis of Japanese media reporting on APEC reveals low level interest in the issue, which barely increased from the previous year. (Refer to Appendix B: Graphs.) Japan's lack of support and interest may have been in response to a general feeling that there was growing American disinterest in Asia Pacific cooperation. Without US support for APEC, Japan may have felt that the forum was not worth supporting either.

The election of Bill Clinton as US President in late 1992 saw a huge shift in the American approach to APEC, with the Clinton administration designating APEC as the cornerstone of its regional strategy towards Asia during early 1993.²⁹ In a bid to raise the political profile of APEC, Clinton inaugurated a 'leadership conference' of APEC heads of government to take place immediately after the Seattle ministerial session in November 1993.³⁰ This 'informal' summit was intended to symbolise a resumption of American presidential leadership in the Asia Pacific region, while focusing high-level attention on the priority issues of economic development and

²⁷ Personal Interview with Sumio Kusaka, 3 September 1996.

²⁸ Personal Interview with Sumio Kusaka, 3 September 1996.

²⁹ Martin Rudner, 'APEC: The Challenges of Asia Pacific Economic Cooperation', *Modern Asian Studies* 29, 2, 1995, p. 411.

trade liberalisation.³¹ Regional leaders were primed on the leaders' summit in early 1993, with Prime Minister Miyazawa Kiichi, 'a little reticent at first',³² but eventually endorsing the idea in July of that year. Japan's concern focused on ASEAN perceptions, rather than the actual concept itself. Japan was sensitive to ASEAN's initial scepticism for the proposal. The government also feared that an APEC leaders' meeting would cause the Taiwan issue to surface, thereby complicating the situation and disturbing the region's relative calm. However, once the leaders' summit got underway in November 1993, it attracted attention from around the world. Nearly 3000 journalists covered the conference, almost twice the number that attended Europe's Maastricht summit.³³ Japanese media reporting reflected the government's renewed interest in the forum, with 68 articles on APEC during November, compared to the previous November total of only one. (Refer to Appendix B: Graphs and Appendix C: Article Titles from Surveyed Journals.) The meeting in Seattle amounted to a reassurance of the USA's continued interest in the region; something which pleased Japan and other Asia Pacific nations.

Economic Pragmatism

APEC is an economic forum and its fundamental objectives lie in the economic realm. The most obvious reason for Japan becoming involved in APEC was economic necessity, which is made clear in many articles and responses to questions on the benefits of APEC for Japan. Japan's insistence on USA involvement in APEC stems from this as well. The US-Japan relationship played a crucial role in Japan's economic development. The large US market has long been more receptive to Japanese and East Asian goods than those from other regions of

³⁰ The idea for a leaders' summit was originally conceived by former Australian Prime Minister Paul Keating.

³¹ Martin Rudner, 'APEC: The Challenges of Asia Pacific Economic Cooperation', p. 412.

³² Yōichi Funabashi, *Asia Pacific Fusion*, p. 83.

³³ Yōichi Funabashi, *Asia Pacific Fusion*, p. 79.

the world,³⁴ and still provides an enormous marketplace for Japanese products. The involvement of the USA, the world's largest marketplace, in APEC was paramount. Because of its enormous importance to the global economy and the global security system, the universal engagement of the USA is one of the best guarantees against the breakdown of the global economy. Japan's future prosperity demands access to a global market. In particular, the Japanese government realised that even with continued rapid growth in the Asian market, 'the Japanese economy would not be able to maintain its current level of affluence without the benefits accruing from the US market'.³⁵ One *Japan Times* headline warns the USA, 'Don't Miss APEC Boat, Think Tanks Tell US',³⁶ knowing that APEC can only really be successful if every member supports the objectives. Japan seeks to encourage the USA with the long-term economic rewards that APEC is expected to provide. If the USA cannot see the benefits, it may well close its doors on global free trade. There is a school of thought that believes APEC helps to keep US trade doors open.

APEC's formation and structure allow each member equal weight and power, and the consensual approach to decision-making is fundamental to its principles.³⁷ However, Asia Pacific nations that were invited to join NAFTA feared economic manipulation by the USA³⁸ because it was a USA-controlled forum. They saw

³⁴ Peter Petri, 'Is the United States bowing out of Asia?', in Ross Garnaut et al., p. 306.

³⁵ Ryo Sano, 'The Ambitions and Limitations of Japan's Foreign Policy in the Post-Cold War Era: Loosen the Ties or Reaffirm the US-Japan Alliance?', *Institute Reports*, (Columbia University: East Asian Institute, June 1996), p.15.

³⁶ 'Don't Miss APEC Boat, Think Tanks Tell U.S', *The Japan Times*, November 1993.

³⁷ *Australian, Indonesian and Japanese Approaches Towards APEC*, (Canberra: Australia-Japan Research Centre, Research Schools of Pacific and Asian Studies, ANU, 1994), p. 3.

³⁸ For example, the USA had pledged to impose US\$2 billion worth of punitive sanctions on Chinese imports if American demands for greater access to the Chinese market were not met. The stand-off on intellectual property is one of a number of issues that have soured Sino-US relations over the past few years, with many Chinese officials and academics accusing Washington of blocking Beijing's efforts to join the global trading community. Yang Chaoying of the China Institute for Strategic Studies stated that, 'the United States

NAFTA as another form of bilateral relations with the USA, the most powerful nation of the world. The USA would act as a hub, rather than a participant in a multilateral regional bloc. Therefore, involving the USA in APEC was seen as a way of ensuring that dealing with the USA would be done as an equal. The actions of any one member would be under the scrutiny of other members. In particular, Japan would have the power to combat US economic pressure,³⁹ and loosen the shackles of its bilateral trade relationship. The multilateral environment would reduce the US government's ability to threaten Japan with retaliatory measures such as the Super 301 provision of the 1988 Trade Act for non-compliance.⁴⁰ To do so would contradict its APEC promises. When the USA threatened Japan in 1995 over automobiles, the former Australian Prime Minister Paul Keating advised Japan to use APEC to lessen bilateral tensions with the US government.⁴¹ The conflict was resolved, although probably with limited assistance from the threat of multilateral institutions, like the WTO and the APEC group. There are some Japanese commentators who look to the day when APEC might have its own trade conflict resolution sub-group.⁴² The sub-group would act in the manner of the WTO, but perhaps more quickly and efficiently due to its smaller size. This would allow trade to continue with limited delay.

has become the major obstruction to China's entrance into the World Trade Organisation'. Richard McGregor, 'US, China poised to settle copyright piracy war', *The Australian* 18 June, 1996, p. 9.

³⁹ Personal interview with Takashi Terada, 18 September 1996.

⁴⁰ The Super 301 is a provision of the 1988 USA trade act. The provision obliges the government to set deadlines for action against 'priority foreign countries' whose trading practices are considered to be 'unfair'.

⁴¹ Yōichi Funabashi, *Asia Pacific Fusion*, pp. 111-112.

⁴² For example, Ippei Yamazawa wrote that dispute settlement was one of the medium-term objectives relevant to realising the Bogor vision. He said that the '[a]doption of an APEC code of practice for the settlement of policy and investment-related disputes based on existing multilateral mechanisms' could complement trade liberalisation with potential for significant net gains to all economies involved. In I. Yamazawa, 'Implementing the APEC Bogor Declaration', *Japan Review of International Affairs*, Vol. 9, no. 3, (Summer, 1995), pp. 178-188, esp. p. 184.

Although the Japanese government was adamant that the USA be involved in APEC, its involvement in APEC has not always been viewed as benign. There is a pervasive suspicion in some quarters about the USA's intentions, as seen in these articles from Japanese journals, 'APEC-led by America Won't Succeed',⁴³ and 'Will America be the Bully at the Seattle Meeting?'.⁴⁴ Komiya Ryutaro, an academic and current director-general of a MITI research institute, expressed doubt about the goal of free trade set by the eighteen APEC member economies, citing potential US insincerity. He claimed that US participation in APEC is nothing more than one of the trade policy games that it plays all the time. The USA may not follow through with APEC's program of trade liberalisation, even though it is pushing for Asian nations to do so.⁴⁵ Other Japanese commentators are concerned by non-Asian members, particularly the USA, pushing hard for rapid liberalisation. According to initial APEC objectives, APEC was to be a forum for multinational negotiation through consensus. According to many Japanese commentators, the USA is turning APEC into a forum for commercial negotiation, and a schedule for liberalisation.⁴⁶

There is a school of Japanese thought that considers APEC objectives as being impossible to achieve, either in the time frame set by the members, or at all in some cases. The developed economies of APEC, specifically Australia, Canada, Japan and the USA, are now approaching the 'hard core' of their protected interests, where it will be difficult to advance trade liberalisation much further.⁴⁷ The poorer developing economies may also find it difficult to achieve 'free and open' trade

⁴³ 'Amerika shudō no APEC wa seikō shinai' ('APEC-led by America Won't Succeed'), *Shūkan Tōyō Keizai*, 12 November 1994, p. 42.

⁴⁴ 'APEC ni Shiatoru kaigi Nichi-Bei wa gaki taishō ni naranai ka', ('Will America be the Bully at the Seattle Meeting?'), *Shūkan Tōyō Keizai*, 6 November 1993, p. 43.

⁴⁵ Peter Hartcher, 'Japanese Adviser Accuses US of Playing 'Trade Games'', *Australian Financial Review*, 16 July 1996, p. 4. Reuter's Business Briefing, 18 July 1996.

⁴⁶ Amane Ichikawa, 'APEC is unnecessary for Japan', pp. 96-99.

within the agreed deadline of 2020.⁴⁸ While the objectives of the forum are not necessarily criticised, there is a realist's view that the goals set are unachievable, or at least 'premature'.⁴⁹

Fear of Protectionism

While some attribute pure economic pragmatism for the creation of APEC, others take this further: crediting the alleged source as fear of isolation. There have been fears that the USA might seek to extend NAFTA to include Asia. This would 'be unfavourable to the prospects of the Asia Pacific region'.⁵⁰ Japan, in particular, felt a sense of isolation. At the end of the Cold War, Japan felt as if it were the only major industrialised nation not including in a regional grouping, and that it did not have the support of a regional grouping like the EU or NAFTA. In particular, Japan only had the GATT forum as a means of trade policy negotiation, and this was stalling. The Japanese felt that an Asian forum was needed to enable them to negotiate on an even par with the Europeans and Americans.⁵¹ Japan's history of involvement in establishing regional economic cooperatives, such as PBEC,⁵² PAFTAD,⁵³ and PECC, is also indicative of its desire to engage with other nations.

The removal of protectionism was one of the primary reasons for APEC's establishment, according to the initial objectives set in 1989 by the first twelve members of APEC. Of the six major areas that the new organisation sought to address, two involved completing the Uruguay Round of GATT in order to

⁴⁷ Personal interview with Kazutomo Irie, 18 September 1996.

⁴⁸ Peter Hartcher, 'Japanese Adviser Accuses US of Playing 'Trade Games'', 18 July 1996.

⁴⁹ 'APEC kakuryō shunō kaigi. Saki-okuri ni naru jiyūka gutaisaku' ('APEC Senior Officials-Leaders' Meeting. Premature Policies for the Realisation of Liberalisation'), *Shūkan Tōyō Keizai*, 19 November 1994, pp. 70-75.

⁵⁰ Nobuo Matsunaga, 'APEC and PECC', *Japan Review of International Affairs*, Vol. 9, no. 3 (Summer, 1995), pp. 195-198, esp. p. 196.

⁵¹ Personal interview with Kazutomo Irie, 18 September 1996. K. Irie was seconded to MOFA from MITI.

⁵² Pacific Basin Economic Council.

⁵³ Pacific Trade and Development Conference.

strengthen the global trading system and discourage the formation of regional trading blocs, particularly in Europe and North America, but also potentially in East Asia.⁵⁴ APEC countries clearly regarded an open, multilateral framework for trade as the key to continued economic dynamism in the Asia Pacific region. APEC could potentially remedy the negative effects of these regional trading blocs. APEC sought to eliminate protectionist impediments to trade; such as exclusivist preferential trading agreements, trans-border investment enclaves, bilateral deals and market sharing arrangements.⁵⁵

The involvement of North America and East Asia in APEC has been viewed as minimising the harmful effects of NAFTA. *The Japan Times* headline reflected this with, 'Hosokawa APEC Vision Seen Fighting Trade Blocs',⁵⁶ but there were still concerns about the negative potential of NAFTA in articles like 'Fate of NAFTA Casts Shadow On APEC Meet'.⁵⁷ The establishment of NAFTA rang alarm bells, especially for those not invited to join, including Japan. The NAFTA arrangement has the potential to exclude Asian nations from trading with the USA, one of the world's largest markets. The closure of the Americas from the global economy would probably result in the establishment of a number of other discriminatory trade blocs, especially in Europe and Asia. This situation would be detrimental to the continued development of the Asian region, which could not support itself at current levels. Japan is keen, therefore, to see the USA embrace multilateralism, rather than a regional trade arrangement that encourages protectionism.

⁵⁴ Yōichi Funabashi, *Asia Pacific Fusion*, p. 106. The other four objectives described by Funabashi are: defusion of US-Japan conflict; economic, cooperative engagement of China; maintenance of American commitment to the Asia Pacific, and provision of a political forum for regional dialogue.

⁵⁵ Martin Rudner, 'APEC: The Challenges of Asia Pacific Economic Cooperation', p. 429.

⁵⁶ 'Hosokawa APEC Vision Seen Fighting Trade Blocs', *The Japan Times*, 9 November 1993, p. 1.

⁵⁷ 'Fate of NAFTA Casts Shadow On APEC Meet', *The Japan Times*, 18 November 1993, p. 1.

US protectionism is sometimes seen as responsible for Japan's reluctance to support the EAEC. An Asian bloc that excludes the USA may have to contend with considerably reduced access to the American market, or worse, it may have no access at all, given that the USA would have no reason to resist protectionism against Asia Pacific goods. The impact would be severe, if not disastrous, for many Asia Pacific economies, including Japan and Taiwan which each export about a third of their total exports to the USA.⁵⁸ Even China needs the US market for its economic development. Japan would have to be able to overcome any loss of the US market, and then serve as an alternative market for the Asian region, in order to alleviate the severe impact on growth of the region's economy. One academic wrote that 'nothing must be done to jeopardize this [US-Japan] relationship'.⁵⁹

Regional Security

The peace and security of the Asia Pacific is of significant concern to all those within the region and around the world. Since the end of World War II, the USA has helped to create an Asian balance of power which has allowed Japan and most of Asia to enjoy economic growth. International opinion suggests that the removal of the US military from the Asia Pacific could cause a power vacuum and widespread instability in the region. The US-Japan security alliance plays an important role in maintaining peace in the Asia Pacific region. Japanese leaders warn against any action that could disrupt relations between the two countries. Former Prime Minister Nakasone has declared '[i]t is impossible to imagine a secure Asia without a US presence'.⁶⁰ This opinion still holds weight with the

⁵⁸ Poh-Ping Lee, 'Japan and the Asia Pacific Region: A Southeast Asian Perspective'. In C.C. Garby & M. Brown Bullock (eds) *Japan A New Kind of Superpower?*, (Washington: The Woodrow Wilson Center Press, 1994), pp. 121- 139, esp. p. 129.

⁵⁹ Yuichirō Nagatomi, 'Economic Regionalism and the EAEC', *Japan Review of International Affairs*, Vol. 9, no. 3, Summer 1995, pp. 206-211, esp. p. 209.

⁶⁰ Chalmers Johnson, *Japan Who Governs? The Rise of the Developmental State*, (New York: W.W. Norton & Company, 1995), pp. 296-323, esp. p. 313.

*Japan-US Joint Declaration on Security*⁶¹ being resigned in 1996. APEC is a very convenient vehicle for Japan in this sense. The government knows that 'improved political relations based on mutual economic interests will enhance the stability of the region',⁶² and that all the other nations are driven to comply with regional consensus in the search for economic development. If political leaders in the region place a sufficiently high value on economic growth and integration with the world economy, economic interdependence can be used to manipulate peace and security in the region.⁶³

Although APEC is an economic forum, its three central objectives (liberalisation, facilitation and cooperation) may indirectly contribute to regional peace and security. Asian countries subscribe to this view and are often concerned that non-Asian APEC members see APEC simply as an economic mechanism.⁶⁴ Japan and its Asian neighbours want a process of dialogue and socialisation that sets a general, rather than a detailed, framework for interaction in the region. The involvement of foreign ministers and heads of government makes it a political organisation; while it is not designed to discuss security, it is a confidence building regime, which may help facilitate the development of a stable regional environment.⁶⁵ For this reason, there is a school of Japanese thought that sees US involvement and support for APEC as being essential for the region. Headlines

⁶¹ According to Sano Ryo, the call for a policy focusing on the UN lost momentum as the limitations of the UN's role in the post-Cold War era became evident. The basis for Japan's security policy turned back towards the USA. Ryo Sano, 'The Ambitions and Limitations of Japan's Foreign Policy in the Post-Cold War Era', p. 13.

⁶² Ichiro Ozawa, *Blueprint for a New Japan, The Rethinking of a Nation*, (Tokyo: Kodansha International, 1994), pp. 132- 135, esp. p. 132. This book was originally published in Japanese as *Nihon Kaizo Keikaku* (Tokyo: Kodansha, 1993).

⁶³ Ichiro Ozawa, *Blueprint for a New Japan*, p. 132.

⁶⁴ Stuart Harris, 'Conclusion: The Theory and Practice of Regional Cooperation', in A. Mack et al., *Pacific Cooperation*, p.266.

⁶⁵ Stuart Harris, 'Conclusion: The Theory and Practice of Regional Cooperation', in A. Mack et al., *Pacific Cooperation*, p. 268.

have declared, 'President's decision shakes faith in US commitment',⁶⁶ 'No-show may hurt future American influence over forum'⁶⁷ and 'Clinton cancellation disappoints Osaka',⁶⁸ indicating the significance placed on US involvement.

Article 9 of Japan's constitution clearly prohibits the use of military force outside Japan,⁶⁹ and restricts Japanese forces to self-defence.⁷⁰ This makes Japan feel slightly vulnerable, particularly in light of its proximity to two of the most volatile nations in the region, China and North Korea, both of which are suspected of having nuclear weapons and are in range of the Japanese archipelago. In addressing this vulnerability, Japan and other countries in the region⁷¹ have committed to a policy of constructive engagement through the promotion of trade and investment with the countries of the Asia Pacific, and ultimately the world. The implementation of multilateral trade creates an environment of interdependence by promoting economic integration and political cooperation. Each nation is drawn into a sphere of dependence on a scale that should lessen the risk of military conflict during the next decade.⁷² APEC is part of Japan's policy of constructive engagement and is particularly relevant to Japan's security situation, in that it covers East Asia. While APEC meetings do not officially encompass security and defence, the informal proceedings encourage dialogue on a broad range of regional issues. The gathering of leaders is the only situation in which countries like China, Japan, Taiwan, South Korea and the USA can meet. Until a more comprehensive

⁶⁶ 'President's decision shakes faith in US commitment', *The Japan Times (Monthly)*, 17 November 1995, p. 3.

⁶⁷ 'No-show may hurt future American influence over forum', *The Japan Times (Monthly)*, 17 November 1995, p. 3.

⁶⁸ 'Clinton cancellation disappoints Osaka', *The Japan Times (Monthly)*, 17 November 1995, p. 3.

⁶⁹ Ichirō Ozawa, *Blueprint for a New Japan*, p. 111.

⁷⁰ Hugh Cortazzi, *Modern Japan*, pp. 89-90.

⁷¹ Australia and the USA, for example.

⁷² David Hale, 'Asian Values' *The Australian*, November 6, 1996, p. 39.

regional security dialogue can be established,⁷³ Japan recognises this as a way of securing the region.⁷⁴

Japan's military alliance with the USA, often termed the 'linchpin' of Asia Pacific security, is of importance for a variety of reasons. One is that it is perceived to act as a check on the emergence of Japan as an independent military power. This view is widely held in Asia, and among Japanese pacifists.⁷⁵ Japanese officials recognise that the security relationship is a requisite for Asian acceptance of Japan. Japan's position with respect to Asia has been tightly linked with US global strategy; even to the extent of being accepted by Asia as a direct result of the role Japan played in the Western world as led by the USA.⁷⁶ One Japanese diplomat has commented that '[t]here is no country in Asia that would welcome us if the US-Japan relationship was not maintained. With our past and our size, they would be too scared'.⁷⁷ This, among a litany of other reasons, encourages Japan to maintain close relations with the USA, and to keep the USA engaged in the Asia Pacific. Newspaper headlines reflect this: 'Multilateral forums are OK, but don't scrap US-

⁷³ APEC supports the work of the ASEAN Regional Forum, which includes the ASEAN states, and observers: Australia, Cambodia, Canada, China, EU, India, Japan, Laos, Myanmar, PNG and Russia, USA and Vietnam.

⁷⁴ For more detail on the relationship between economics and security in the Asia Pacific, see A. Mack et al., *Pacific Cooperation*.

⁷⁵ D. P. Rapkin, 'Leadership and Cooperative Institutions in the Asia Pacific', in A. Mack et al., *Pacific Cooperation*, p. 113.

⁷⁶ This is not to say that Japan always felt totally accepted by the USA, or believed itself equal. Japan was very distressed over not having been consulted about the USA's complete reversal of foreign policy with China in 1971, known as the 'Nixon Shock', which prompted Japan to suddenly open the door to establishing diplomatic relations. Because Japan's Asia policy was, in reality, a US policy, the fact that Washington took steps to restore diplomatic ties with China without consulting Tokyo led Japan to suspect other policy areas. Perhaps the biggest 'shock' of this incident was not that America restored relations with China, but that it made Japan painfully aware that Japan's policy towards Asia was actually a policy toward the USA.

⁷⁷ D. P. Rapkin, 'Leadership and Cooperative Institutions in the Asia Pacific' in A. Mack et al., *Pacific Cooperation*, p. 113.

Japan pact',⁷⁸ 'Japan is urged to back US presence in Asia',⁷⁹ and 'The US-Japan Relationship is central to the world'.⁸⁰

Japan, Asia and the USA: Australia as a Bridge

While Australia has played a significant role in the history of APEC, this thesis has spent little time on Australia's involvement. This is because Australia is not a significant player in Japan's foreign policy: it is neither Asian, nor American. The significance of Australia to Japan is probably indicated by the one small paragraph that MOFA dedicates to 'Oceania' covering New Zealand and Australia in the *Diplomatic Bluebook 1995*. This serves as a useful reminder that, although Japan is of great importance to Australia, Australia is not of equivalent importance to Japan. Australia is going to have to compete for Tokyo's attention in the future, as it has for Washington and London's in the past.⁸¹ Australia, however, is still a useful ally for Japan in a number of areas. The Japanese government believes 'Australia can make a very important contribution to the Asian side of the dialogue',⁸² because it is neither Asian nor American, but perhaps a bridge to both. Recognition of the mutually beneficial relationship were set down in the *Joint Declaration on the Australia-Japan Partnership* which was signed by the respective leaders in May 1995. The declaration states that the 'Government of Japan ..reaffirms that Australia is an indispensable partner in regional affairs'.⁸³ It also states that

⁷⁸ 'Multilateral forums are OK, but don't scrap US-Japan pact', *The Nikkei Weekly*, 20 February 1995.

⁷⁹ 'Japan is urged to back US presence in Asia', *The Nikkei Weekly*, 22 May 1995.

⁸⁰ 'Sekai no naka no Nichi-Bei kankei' ('The US-Japan Relationship is central to the world'), *Gaikō Forum*, no. 75, December 1994, pp. 4-68.

⁸¹ Richard Woolcott in address to 18th Australia-Japan Relations Symposium, 31 July 1992. Published text of proceedings, *Australia-Japan Relations in the Future, 1992*, p. 22

⁸² Tony Boyd, 'Doubts on Asia Policy an ASEM Barrier', *The Australian Financial Review*, 23 January 1997, p. 8.

⁸³ *Joint Declaration on the Australia-Japan Partnership*, Ministry of Foreign Affairs, Tokyo, [<http://www.nttts.co.jp/infomofa/apecinfo/www/info/info2.htm>].

the two Governments pledge their commitment to APEC as the primary vehicle of regional economic cooperation. ...Australia and Japan share a vital interest in the maintenance and strengthening of the open multilateral trading system and in the effective operation of the WTO.⁸⁴

An American presence and strategic engagement in the Asia Pacific is highlighted as essential in the Joint Declaration to the peace and prosperity of the region, as is continued development of the ASEAN Regional Forum. The activities of the UN will also be supported by the Australian and Japanese governments, while Australia would support Japan's pledge to gain Security Council permanency. This declaration clearly points to the similarities in Australia and Japan's foreign policies. It is easy to see why Australia and Japan enjoy such good relations, in spite of their difference in world economic and political status.

It is probably because Australia and Japan share similar foreign policy strategies, especially in supporting a GATT-based multilateral free trade system, and keeping the USA engaged in the region, that we have seen the two countries share a close association throughout APEC's history. Their complementary situations in international trade and politics have also allowed them to play complementary roles in promoting APEC. According to many Japanese commentators, Australia was encouraged by Japan to take on a leadership role in promoting and establishing APEC because Australia is not perceived as a threat by Asian nations.⁸⁵ Australia also has close associations with the USA, a position valued by Japan. Japan on the other hand, must be sensitive to Asian memories of World War II, but has

⁸⁴ *Joint Declaration on the Australia-Japan Partnership*

⁸⁵ For example Yōichi Funabashi in *Asia Pacific Fusion*.

strong historical links with Asia and is respected for its economic and global achievements.

However, according to recent media reporting, several Asian countries have told Japan, one of the four countries coordinating ASEM (the Asia-Europe Meeting), that they have doubts about Australia's policy towards Asia.⁸⁶ According to a MOFA official, 'some Asian countries are looking at Australia's foreign policy and asking whether it is Asia or Europe or something other'.⁸⁷ He said that, 'we support you because we believe Australia can make a very important contribution to the Asian side of the dialogue'.⁸⁸ Whether Australia will continue to be perceived as a useful ally in the Asia Pacific remains to be seen. A change in this situation could change Japan's attitude to Australia.

Conclusion

It is in each member economy's interest that the APEC forum promotes economic globalism within the region and around the world. Its success could pay multifold dividends for each member. For Japan, APEC's success in the long term means having free access to global markets. In the short term, it is considered in some schools of thought as a means of relief from American unilateralism, and a useful way of constraining potential American protectionism and the USA's continued military presence, in the Asia Pacific.

For a number of reasons, the US-Japan relationship has played a crucial role in Japan's economic development. The large US market has long been more receptive to Japanese and East Asian goods than those from other regions of the

⁸⁶ Tony Boyd, 'Doubts on Asia policy an ASEM barrier', *The Australian Financial Review*, 23 January 1997, p. 8.

⁸⁷ Tony Boyd, 'Doubts on Asia policy an ASEM barrier', p. 8.

⁸⁸ Tony Boyd, 'Doubts on Asia policy an ASEM barrier', p. 8.

world.⁸⁹ The increasing trade surplus with East Asia, however, has seen the USA become more unilateralist in its trade relations with Asia. The establishment of NAFTA at the end of the 1980s also suggested that the USA may resort to protectionist trade arrangements which would have discriminated against most of the Asian market. The implications for Japan and the Asia Pacific of an insular USA are immense, and would probably encourage Europe and Asia to create discriminatory trade blocs of their own. The burgeoning Asian market, however, is probably too large to be supported by an insular Asia alone. It is for this reason most Asian nations have chosen to support the non-discriminatory APEC forum to institute free trade in the region. Japan, and the other APEC members, hope that their actions will develop and strengthen an open multilateral trading system throughout the world economy. According to the majority of Japanese APEC commentators, it is through economic necessity that Japan has chosen the APEC forum to promote its economic policies.

The Asia Pacific region, although relatively calm, has the potential to dissolve into strategic disorder. Most Asia Pacific nations are attempting to secure stability through constructive engagement and cooperative efforts towards interdependence. Generally, the term 'constructive engagement' is interpreted as meaning China. However, Japan also regards the situation with the USA in a similar way. The US military presence is the best guarantee of regional stability. Without such stability, economic development may be jeopardised, and strategic development may accelerate into an arms race within the region. Some Japanese commentators consider that by engaging the USA in cooperative institutions and providing economic incentives, the USA will become enmeshed in the region. Its strategic

⁸⁹ Peter Petri, 'Is the United States bowing out of Asia?', in Ross Garnaut et al., *Asia Pacific Regionalism*, p. 306.

presence will remain intact in the Asia Pacific as long as the USA deems it in its interest.

Chapter 5. Japan and the World

In the post-Cold War era, Tokyo appears more willing than in the past to translate its economic power into an international role. This is most evident in its efforts to participate in large economic institutions and the UN. This trend began when Japan's international profile was raised as a result of its success in investment and trade during the 1980s. This, in turn, provided an incentive to become more involved in international affairs, while the government was also put under pressure by other nations which expected Japan to play a more active role. It has been suggested that despite Japan having achieved prominent status as the second-largest economy in the world more than a decade ago, it has yet to demonstrate international leadership abilities or earn international respect.¹ Obvious avenues for Japan to exercise a larger world role were through existing multilateral institutions: the UN, the World Bank, the International Monetary Fund, GATT, and the OECD. The 1990s has seen Japan increasingly focusing on an expanded international role in settling regional conflicts, providing aid, assisting in reconstruction, peace-keeping and humanitarian relief operations.

Japan is already a regional political power in Asia, but it has sometimes been cautious about committing itself to greater global responsibility despite international pressure on it as a global economic power.² In view of the world's changing political and economic environment, however, many Japanese believe that it is time to elevate its position to a global political power, with a shift away from bilateral

¹ Mayumi Itoh, 'Japan's Abiding *Sakoku* Mentality' in *Orbis*, Spring 1996, pp. 235-45, esp. p. 243.

² Inoguchi Takashi, *Japan's International Relations*, p. 155.

diplomacy, aimed mainly at the USA, to multilateral diplomacy focused on the WTO and the APEC forum.³

Japan's efforts towards assuming 'management of the global system'⁴ were reflected in the 1994 and 1995 editions of the *Diplomatic Bluebook*. In comparison with earlier editions, it has moved away from the focus on Japan as a major industrialised country only having 'relations' with Asia (i.e. not being Asian).⁵ The mid-1990s focus is on economic interdependence and globalism. The USA, Europe and Asia will make up three distinctive geographic/economic areas that will lead the global trading system into the twenty-first century. The *Diplomatic Bluebook 1995* declares, 'now that the Cold War has come to an end, Japan is expected to play a major role in building a new framework for international cooperation'.⁶ This can be achieved through the promotion of 'multilateral cooperation, including UN reform and the strengthening of the multilateral trading system'.⁷ It suggests that 'cooperation is indispensable in addressing a wide range of issues facing the international community',⁸ and proposes that Japan, the USA and Europe should strengthen their relations. While APEC is probably considered by the Japanese as a relatively small institution that is not central to Japan's vision of its future, Japan is supportive of this regional forum in the interests of achieving interdependence and multilateralism in the global economic system.

³ Heizo Takenaka, 'Can Japan Glue Together Asia and the Pacific?', *Japan Echo*, Winter 1995, pp. 18-22, esp. p. 18.

⁴ Jiro Ushio, 'Spread the Gospel of the Market Economy', *The Japan Times*, 7 December 1996, p. 1.

⁵ During the late 1970s and '80s, the *Diplomatic Bluebook* appeared to prefer seeing itself as part of the Western world, and only claimed 'relations' with Asia. It did not refer to Japan as being part of Asia.

⁶ *Diplomatic Bluebook 1995*.

⁷ *Diplomatic Bluebook 1995*.

⁸ *Diplomatic Bluebook 1995*.

While the data from four Japanese periodicals surveyed (refer to Appendices B & C) is not conclusive, it goes some way to supporting the theory that APEC plays a part in Japanese foreign policy, if only in a minor way. It plays a useful role in advancing some of Japan's most significant foreign policy interests, in terms of Asia and the USA, and helps Japan achieve greater political credibility worldwide. Considering the world attention that Japan received during the Osaka summit, it could be said that the Japanese government was anxious to prove itself as a cooperative, pro-active leader, capable of driving multilateral organisations. This chapter will explore some of the factors motivating Japan towards globalisation, and how APEC fits into this strategy.

Globalisation of Trade

In light of Japan's economic development under the GATT-based system, Japan's international trade policy has long emphasised the primacy of the multilateral trading system. Japan's commitment to the multilateral trading system translates easily into support for the WTO: the forum for multilateral trading. The system and the forum are viewed by many Japanese people, including officials, academics and business people, as the safest, most effective avenue through which Japan can protect and advance its international trade and investment interests.

MITI's latest *White Paper on International Trade 1995*⁹ sees globalisation and regional integration as a fact of international trade life. The paper emphasises the need for Japanese policy makers and corporate strategists to understand the current environment and consider strategies for Japan to best take advantage of these trends. The *White Paper* devotes a considerable section to examining the relationship between regional integration and the multilateral trading system. It

⁹ 'Summary of White Paper on International Trade 1996', MITI, [<http://www.jef.or.jp/news/wp1996/wp96.html>], August 1996.

contends that the multilateral trading system benefits from regional integration because liberalisation in the services trade and direct investment sectors can be pro-actively pursued; these being areas not adequately covered by the WTO. It also states that the relatively small number of member nations helps to speed up negotiations and allows flexible operations and management. The inclusion of developing countries in regional integration frameworks ensures the liberalisation of these countries.¹⁰ Open regionalism¹¹ practised within APEC encourages regional integration, and strongly supports the multilateral trading system and the WTO. In fact behind Japan's APEC strategy is a desire for the forum to help build an Asia Pacific community with which to strengthen the global economic system.¹² Considering Japan's global vision, APEC has become one of Japan's economic policy initiatives.

Fear of Protectionism

Japan's support for a multilateral trading system makes it clearly opposed to preferential regional trading arrangements. The managed trade system and discriminatory relations during the inter-war period caused Japan to become frustrated with, and isolated from, the Western elites.¹³ Many commentators explain that Japanese expansionism was the result of being isolated from the powerful Western nations in the 1930s. Japan still sees itself as the only major industrialised country that is not currently committed to discriminatory integration.¹⁴ Multilateral organisations are seen as providing a system for promoting peaceful

¹⁰Summary of White Paper on International Trade 1996'.

¹¹ According to Ross Garnaut, 'Open regionalism' includes market integration and also integration that is facilitated by government policy to the extent that it does not involve discrimination against non-members. R. Garnaut, 'Open Regionalism: its analytical basis and relevance to the international system', *Journal of Asian Economics*, Vol. 4.2, (American Committee on Asian Economic Studies, 1993).

¹² Yōichi Funabashi, *Asia Pacific Fusion*, p. 249.

¹³ M. Inouchi et al., 'Asia Pacific Economic Cooperation and Australia-Japan Relations', p. 5.

¹⁴ This idea is conveyed by M. Inouchi et al., 'Asia Pacific Economic Cooperation and Australia-Japan Relations'.

international economic interaction, and '[w]ithout it, trade disputes, such as the one Japan and the United States recently had over automobiles and auto parts, would increase and destabilize the system'.¹⁵ In multilateral systems, however, the vested interests of participants helps to ensure the continued existence of the organisation, thus minimising interest in alternative economic activities (such as protectionism). Needless to say, trade protectionism that excludes Japanese involvement is much despised by the Japanese government and business sector.

Like the USA, Europe has had its share of bouts with Japan over fair trade practices. However, Japan's current foreign policy asserts that cooperation and coordination between Japan and Europe on global issues should be on par with that between Japan and the USA.¹⁶ The implication of this is twofold. It implies on the one hand that the US-Japan relationship is to remain at the same level, despite increasing conflict between Japan and the USA. It also infers that Japan is keen to take on very close relations with Europe. A *Gaikō Forum* article suggests that this position is simply the result of a maturing global economic system, calling "Out of Asia, Into Europe": An Outdated Slogan'.¹⁷ The actual reason for this is not clarified beyond a desire to improve the international system. In effect, however, Japanese policy dialogue and mutual cooperation with Europe may prevent the EU from becoming more protectionist and exclusively regional. Like Japan's strong support for American involvement in APEC, Japan is keen to maintain Europe's interest in Asia, thus the advent of the Asia-Europe Meeting (ASEM), which has also received

¹⁵ A. Hirata et al., 'Strategy toward APEC: the Case of Japan', in I. Yamazawa et al., *APEC: Cooperation from Diversity*, p. 32.

¹⁶ *Diplomatic Bluebook 1995*.

¹⁷ 'Datsu Ōjin-A no giron wa mō furui' ("Out of Asia, Into Europe": An Outdated Slogan'), *Gaikō Forum*, no. 85, October 1995, pp. 74-81.

media attention in Japan.¹⁸ ASEM brings together the heads of State from fifteen European countries and the European Commission, as well as the seven-member ASEAN group, Japan, China, and South Korea. Unlike APEC, ASEM is concerned with trade, investment, political and security issues. Japan's focus on open regionalism within APEC is probably partially inspired by its fear of losing Europe, and others, as a market. Europe is a large and lucrative market, and by extending APEC benefits beyond the members, Europe is encouraged to continue to participate globally and is less likely to implement retaliatory protectionist measures.

Global Leadership: An APEC Platform

Since the end of the Cold War, the Japanese government has appeared more willing to elevate itself from the status of a position regional power to one of global political force. This posture had been denied to Japan during the Cold War because of its wartime legacy in Asia and its subordination by the USA. Consequently, Japan has been constantly reminded that although it has achieved the status of an economic superpower and the world's largest creditor, it is mostly considered devoid of international legitimacy.¹⁹ In line with Japan's efforts to improve its political status, it was keen to make a good impression as host of the Osaka ministerial and leaders' summit in November 1995. Its posturing as host was not only to show Asian nations that Japan is prepared to take a stand on Asia's behalf, but also to demonstrate its diplomatic and political skills to the world. The peak in Japanese press reporting on APEC during November suggests that such perceptions were shared by many Japanese people. (Refer to Appendices B & C for details).

¹⁸ For example, 'Higashi Ajia o meguru kokusai kankyō to Ōshu' ('Europe and East Asia's International Environment'), *Gaikō Forum*, no. 91, April 1996, pp. 34-44, and 'Ōkii na zenshin o hatashita Ajia-Ōshū kankei' ('A Big Step Forward for Asian-European Relations'), *Gaikō Forum*, no. 92, May 1996, pp. 74-80.

Japan's position on global leadership and sovereignty has been also influenced by the workings of the EU. Japan's Deputy Vice-Minister for Foreign Affairs,²⁰ Ogura Kazuo, interpreted the EU's alliance as going beyond economics and into the realm of world leadership. He contends that the EU is a 'mechanism devised to constrain and adjust the exercise of sovereignty in the hope that Europe will exercise leadership with respect to the world order'.²¹ While Ogura saw creating an Asian organisation like that of the EU as impractical, he asserted that, 'it is most important ...that Asian nations endeavour to use organizations like ASEAN or the Asia Pacific Economic Cooperation forum to adjust the way national sovereignty is exercised'.²² Ogura was suggesting that Asia would benefit from an alliance because it would reduce the emphasis on sovereignty, and promote unity in the region. He saw APEC as a potential forum to this end.

In terms of assuming a senior position in a global, multilateral institution, permanent membership on the UNSC is of particular interest to Japan. The UNSC plays a central role in the activities of the UN, as it is the sole body invested with the authority to make binding resolutions and bears the responsibility for the maintenance of international peace and security. The Japanese government is pursuing this objective in an effort to achieve greater political legitimacy, commensurate with its economic leadership, and to assume an identity that is not dependent on the West'.²³ Ichirō Ozawa wrote that, 'if we succeed in reforming the UN and in encouraging the United States to work actively with it, Japan will help

¹⁹ Donald C Hellmann, 'America, APEC and the Road Not Taken: International Leadership in the Post-Cold War Interregnum in the Asia Pacific', in I. Yamazawa et al., *APEC: Cooperation from Diversity*, p. 8.

²⁰ Ogura Kazuo held this position prior to the October 1996 election.

²¹ Kazuo Ogura, 'Japan's Asia Policy, Past and Future', p. 13.

²² Kazuo Ogura, 'Japan's Asia Policy, Past and Future', p. 13.

build the basis for the new world order. We would stand among the founders of a new age'.²⁴ This assumes that Japan would gain international status by participating in large multinational institutions, 'something it has not had since its defeat at the end of the Second World War'.²⁵

Global Security

The change in Japan's security situation since the end of the Cold War may be one reason for Japan's strong support of the UN. Although important, total reliance on the US-Japan security alliance is no longer considered politically astute by the Japanese government. With the *détente* at the end of the Cold War, there were signs that the American government was intending to reduce its military presence further. One newspaper headline draws attention to this fear, reminding the Japanese readers that 'Japan must remain globally engaged: narrow focus on Asian runs risk of creating instability'.²⁶ The Japanese government felt that it was limited in how it could respond to American troop reductions. Its Constitution and public opposition made an increase in Japan's military presence unrealistic. Extending the bilateral alliance with the USA beyond the level established in the Cold War was opposed by Japanese and Americans alike, especially in light of rising trade conflicts. A third option was to rely on a multilateral security system. The UN option, known in Japan as 'UN-Centrism',²⁷ would allow Japan to maintain some distance from the USA and would place authority for any military participation within a UN framework.

²³ Ryo Sano, 'The Ambitions and Limitations of Japan's Foreign Policy in the Post-Cold War Era', p. 17.

²⁴ Ichirō Ozawa, *Blueprint for a New Japan*, p. 115-16.

²⁵ Ryo Sano, 'The Ambitions and Limitations of Japan's Foreign Policy in the Post-Cold War Era', p. 6.

²⁶ 'Japan must remain globally engaged: narrow focus on Asian runs risk of creating instability', *The Nikkei Weekly*, 14 February 1994.

²⁷ Ichirō Ozawa keyed the term 'UN-Centrism' in discussions after the Gulf War regarding an appropriate Japanese response.

Ichirō Ozawa was one of the driving forces behind Japan's support for the UN.²⁸ He emphasised the need for Japan to revise its post-WW II foreign policy, suggesting that in order to survive the post-Cold War era, Japan must become a 'global state in the true sense of the term'.²⁹ This could be achieved by contributing to international peace efforts with the services of its armed forces. Ozawa saw multilateral security as the way ahead for Japan, because he believed that no one nation could hope to resolve modern conflicts, nor could a country hope to remove itself entirely from international conflict. He believed that cooperation between the USA and the UN 'would also be the ideal combination for world peace and prosperity'.³⁰ He proclaimed that 'as one of the world's advanced democratic nations, Japan has a responsibility to cooperate with the US and Europe in building a new and stable order to replace the Cold War structure'.³¹

Where does APEC Fit in Japan's Globalisation?

In the first instance, APEC fits into Japan's global vision because it supports open regionalism that does not threaten the principles and practices of the multilateral trading system. While Japan is opposed to RTAs, regionalism that invites the participation of non-member economies is generally supported by Japan. The *Diplomatic Bluebook 1995* contends that APEC has a positive influence in leading the way to global interdependence. One academic explained that proof of Japan's commitment to improving its economic interdependence and the world trading system was shown in the way Japan made concessions at the expense its domestic concerns in terms of agriculture.³²

²⁸ Once a member of the LDP, and current leader of *Shinshintō*.

²⁹ Ichirō Ozawa, *Blueprint for a New Japan*, p. 94.

³⁰ Ichirō Ozawa, *Blueprint for a New Japan*, p. 94.

³¹ Ichirō Ozawa, *Blueprint for a New Japan*, p. 94.

³² Personal Interview with Takashi Terada, 18 September 1996.

APEC has at its core, an agenda that is completely compatible with the WTO. The Japanese government supports fundamental APEC objectives because of the way it promotes the WTO. In fact, the WTO's unwieldy size and young age mean that it is not without flaws. The WTO is said to follow the precedent of GATT, being based in legalism and punitive dispute resolution,³³ which can make timely multilateral solutions difficult to achieve. However, APEC's consensus-based decision making process can make APEC more effective in many ways. For example, the facilitation of loosening non-border measures, standards, product certificates and customs clearance procedures, are only partially covered by the WTO.³⁴ The less bureaucratic structure of APEC also enables APEC to deal with issues that would otherwise be complicated and time-consuming at the WTO level. This aspect of APEC is particularly appreciated by the Asian nations and all efforts are made to prevent APEC becoming any more bureaucratic. Japan's focus on the 'Asian way' at Osaka was indicative of this perspective.

From another perspective, the government is increasingly supportive of the APEC forum because it provides a stage on which Japan can promote its cooperative and leadership skills in a multilateral organisation. Some Japanese academics believe that 'APEC is an appropriate place for Japan to practise its leadership role'.³⁵ As an economic forum, APEC allows Japan to participate in an area of its expertise. The Japanese government believes that some nations will interpret Japan's actions within APEC as a projection of its capacity to assume greater global responsibility, and this is increasingly influencing how Japan acts within the forum. Dedicated

³³ Rikki Kersten, 'Cultural Impasse to Free Trade', *The Australian*, 9 December 1996, p. 11.

³⁴ A. Hirata et al., 'Strategy toward APEC: the Case of Japan', in I. Yamazawa et al., *APEC: Cooperation from Diversity*, p. 35.

³⁵ A. Hirata et al., 'Strategy toward APEC: the Case of Japan', in I. Yamazawa et al., *APEC: Cooperation from Diversity*, p. 33.

Japanese involvement and leadership in APEC may assist Japan in achieving international legitimacy as a global leader.

Conclusion

The Japanese government also seeks to respond to the current international environment by working with other major economic powers to maintain the multilateral economic system. Japanese foreign policy is focusing on economic interdependence between the USA, Europe and Asia. These three economic regions are expected to make up the structure of the global trading system for the twenty-first century. Japan seeks to integrate these regions, rather than allowing the emergence of major trading blocs. Protectionism would severely impede Asian development and subsequently Japanese prosperity. Therefore the Japanese consider that keeping the global trading system open is imperative.

Japan's commitment to globalisation translates easily into support for a forum like APEC. APEC, although regional and trade-focused, provides a small platform on which Japan can promote its cooperative and leadership skills. Since the end of the Cold War, the Japanese government appears to be more willing to elevate itself from the status of a regional power, to one of global political force. A greater emphasis on global political leadership, commensurate with its economic power, has lead the Japanese government to focus on assuming senior positions in large multilateral institutions. Obvious avenues for Japan to exercise a greater world role are existing multilateral organisations such as GATT, the UN and the WTO.

Some Japanese believe that APEC enables Japan to make positive steps towards leadership in the region, and perhaps beyond. This posture had been denied to Japan during the Cold War because of its wartime legacy in Asia and its subordination to the USA. Japan was keen to make a good impression as host of

the Osaka leaders' summit and commentators believe that Japan is prepared to make gradual concessions in order to maintain a good international profile. The Osaka summit assumed an 'Asian approach' to decision-making that indicated deference to Asia and independence from a unilateralist USA. Some commentators believe that Japan wanted to show Asia that it is prepared to take a stand on its behalf, as well as demonstrate its diplomatic and political skills to the world as a whole. Japanese press coverage suggests that such perceptions were shared by many Japanese people. This thesis has identified some of Japan's foreign policy goals. These are not only manifested in APEC participation, but can also be seen in Japan's desire to assume a permanent seat on the UNSC, as well as in its interest in carving out a role in other large multinational institutions. Although APEC has a smaller structure than institutions like the WTO, the World Bank and UN, it gives Japan a platform on which to demonstrate its leadership skills within Asia to Western leaders.

Chapter 6. Conclusion

This thesis sought to gain a better understanding of Japanese perceptions of APEC, and to find the motivating factors for Japan's involvement in this forum. This investigation, although limited in size and based on a limited sample of Japanese opinion, has exposed perceived benefits from APEC that go beyond APEC's core business of liberalisation, facilitation and cooperation. This regional economic forum, is considered in some Japanese circles, as playing a part in Japan's larger foreign policy strategy. Japan's foreign policy focus on Asia, the USA and globalisation is reflected in how Japan advances APEC.

The Japanese government and business conglomerates, that once viewed Asia as a springboard to the West, now see Asia as central to their future. APEC fits into Japan's Asia policy by serving to improve its relations with Asia. The frequent meetings with Asia Pacific nations, the equitable nature of APEC, and the consensus-based decision making process, provide Japan with a forum to portray a cooperative, non-aggressive leadership style. APEC is especially important, because it enables Asian leaders to meet and discuss regional economics, but also allows for discussion of political and strategic issues.

APEC has also proved useful in helping to promote Japan's US policy: engaging the USA economically, and securing a US military presence in the region. The USA was included in APEC at the behest of Japan, citing economics, politics and security, in its reasons for insistence on US membership. In terms of economics, the USA provides a large and reliable market for Asian goods. The USA's recent tendency towards protectionism could mean the loss of a large export market, and limited access to the Americas. The Japanese government values the fact that the

APEC forum encourages the USA and other members of NAFTA to remain active in the Asia Pacific region.

APEC also allows Japan to deal with the USA from an equitable perspective. The Japanese government believes that the USA uses bullying tactics that resemble unilateralism, rather than bilateralism. The multilateral arrangement of APEC minimises unilateralism and heavy-handed threats by any member, as well as providing a ready made fora for conflict resolution that does not take twelve months to process as per the WTO.

APEC also plays a small part in Japan's defence policy. The economic engagement of the USA in the Asia Pacific transcends into military engagement. If the USA remains economically engaged in the region, the US government will want it to remain secure and stable, and therefore will maintain a military presence. The Japanese government believes that a US presence is needed to stabilise Asia, but it also recognises that its presence helps ease Asian sensitivities to any change in Japanese power. APEC provides Japan with one way of keeping the USA engaged in the Asia Pacific region.

Japan's commitment to globalisation translates easily into support for a forum like APEC. APEC, although regional and trade-focused, provides a platform on which Japan can promote its cooperative and leadership skills. Since the end of the Cold War, the Japanese government appears to be more willing to elevate itself from the status of a regional power to one of global political force. A greater emphasis on global political leadership, commensurate with its economic power, has lead the Japanese government to focus on assuming senior positions in large multilateral

institutions. Obvious avenues for Japan to exercise a greater world role are existing multilateral organisations such as GATT, the UN and the WTO.

Some Japanese believe that APEC enables Japan to make positive steps towards leadership in the region, and perhaps beyond. This posture had been denied to Japan during the Cold War because of its wartime legacy in Asia and its subordination to the USA. Japan was keen to make a good impression as host of the Osaka leaders' summit and commentators believe that Japan is prepared to make gradual concessions in order to maintain a good international profile. The Osaka summit assumed an 'Asian approach' to decision-making that indicated deference to Asia and independence from a unilateralist USA. Some commentators believe that Japan wanted to show Asia that it is prepared to take a stand on its behalf, as well as demonstrate its diplomatic and political skills to the world as a whole. Japanese press coverage suggests that such perceptions were shared by many Japanese people. This thesis has identified some of Japan's foreign policy goals. These are not only manifested in APEC participation, but can also be seen in Japan's desire to assume a permanent seat on the UNSC, as well as in its interest in carving out a role in other large multinational institutions. Although APEC has a smaller structure than institutions like the WTO, the World Bank and UN, it gives Japan a platform on which to demonstrate its leadership skills within Asia to Western leaders.

It is important to keep the significance of APEC to Japan in perspective. The subsequent decline of media interest in APEC in 1996 may not necessarily indicate a decline in interest in the goals of APEC, so much as reflect APEC's relatively minor role in overall Japanese foreign policy. Although APEC is part of Japanese foreign and economic policy, it is not ranked alongside the UN or WTO. However,

the Japanese government supports this regional economic forum because it provides a useful platform for Japan to promote its more significant foreign policy initiatives, such as improving Japanese relations with Asia, maintaining US engagement in the Asia Pacific, and showing that Japan is ready to assume greater responsibility in world issues. Consequently, APEC is currently valued by the Japanese government for the support it brings to Japan's foreign policy strategies for the future.

Appendix A: A Chronology of Japanese History and APEC

Year Significant Events in Modern Japanese & APEC History

- 1919 Japan recognised at Paris Peace Conference as one of the 'Big Five'(USA, UK, France & Italy)
- 1920s Institute of Pacific Relations (IPR) established by Nitobe Inazo
- 1921 In parallel to League of Nations, Asia Pacific countries meet in Washington to enact naval disarmament.
- 1943 Greater East Asia Co-Prosperity Sphere discussed in Japan. Japanese colonies already included Korea and Manchuria.
- 1955 Japan admitted to the General Agreement on Tariffs and Trade.
Bandung Conference - African & Asian countries launched Non-Aligned Movement.
- 1956 Japan admitted to membership of the United Nations.
Restored diplomatic relations with USSR.
- 1960 Revised US/Japan Security Treaty comes into force.
- 1964 Japan joined the OECD.
- 1965 Treaty on relations with the Republic of Korea signed.
- 1966 Tokyo Conference - Southeast Asia Development Ministerial Conference.
- 1967 ASEAN formally established.
- 1972 Joint statement issued by the governments of Japan and China establishing diplomatic relations.
- 1974 Anti-Japanese demonstrations in Bangkok & Jakarta
- 1975 Japanese Prime Minister attends first G7 summit in France.
- 1977 ASEAN-Japan Forum, Manila.
- 1979 Japan chairs G7 summit in Tokyo.
- 1970-80s NIE development
- 1980 PECC established.
- 1987 Japanese MITI minister calls for a 'Pacific Rim Trade & Industrial' ministerial body.
- 1988 Japanese PM Takeshita instructs MITI to explore the prospects for economic cooperation in Asia Pacific. MITI launches a study, under Sakamoto.
Sakamoto Report is released (includes warnings against trading blocs).
Japan & Australia informally discuss the findings of Sakamoto Report.
- 1989 Australian PM Hawke announces plan to create APEC. Writes to region to explain proposal.
MITI seeks to gauge support in the region for APEC concept.
Japan does not publicly advocate APEC until June, when MITI minister Mitsuzuka becomes Foreign minister.
USA announces support for APEC, June.
ASEAN endorses APEC, July.
APEC inaugurated at ministerial conference in Canberra. Twelve economies present, November.

1990 2nd APEC Ministerial Meeting - Singapore.

Special APEC trade ministerial convened to discuss deadlock in the Uruguay Round of GATT.

Malaysian PM Mahathir proposes the East Asia Economic Group (EAEG), December.

1991, January Hong Kong, Taiwan & PRC agree to join APEC.

EAEG becomes East Asia Economic Caucus (EAEC).

3rd APEC Ministerial Meeting, November. 15 member economies. (Includes Hong Kong, China and Taiwan.)

1992 Japanese Self Defence Forces (600 personnel) sent to Cambodia with UN.

Australian Prime Minister Keating recommends APEC be elevated to the leaders level.

Fourth APEC ministerial meeting - Bangkok. USA does not send ministerial level delegate. Foreign ministers from Japan, Canada and Malaysia do not attend.

Secretariat and Eminent Persons Group (EPG) established.

Special talks held to help stimulate the Uruguay Round to a successful resolution.

1993 President Clinton proposes an APEC leaders' summit in Seattle.

ASEAN Regional Forum officially established. Includes six ASEAN nations and seven observers.

First APEC informal leaders' summit held in November.

PNG and Mexico are included as members of APEC. (17 members)

GATT Uruguay Round completed in December.

1994 APEC ministerial and leaders' meeting held in Bogor, Indonesia. 'Bogor Declaration' accepted by leaders. PM Kono puts forward Partners for Progress.

Chile becomes 18th member of APEC.

NAFTA activated.

First ARF meeting held.

1995 Japanese PM Murayama urges counterparts to make progress at the Osaka summit a personal priority.

US-Japan auto trade dispute.

Rape of Okinawan school girl by US military service personnel.

APEC ministerial and leaders' meeting held in Osaka during November. President Clinton does not attend, due to domestic political crisis.

1996 China holds live missile testing in seas off Taiwan.

Okinawa refuses to sign land lease for US bases.

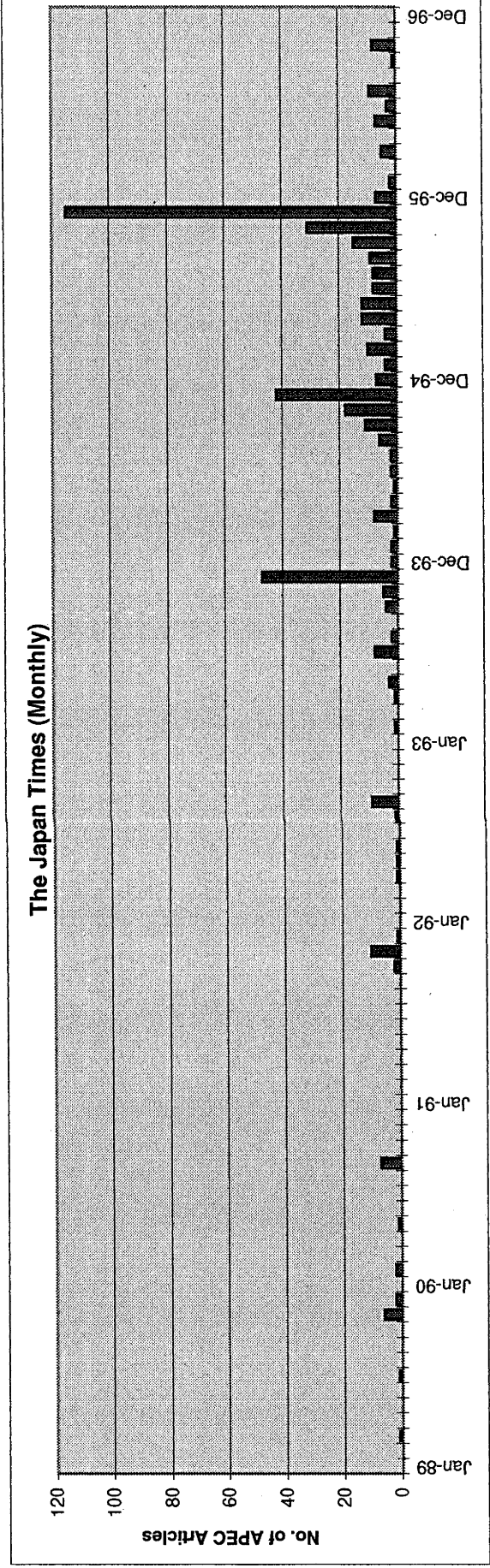
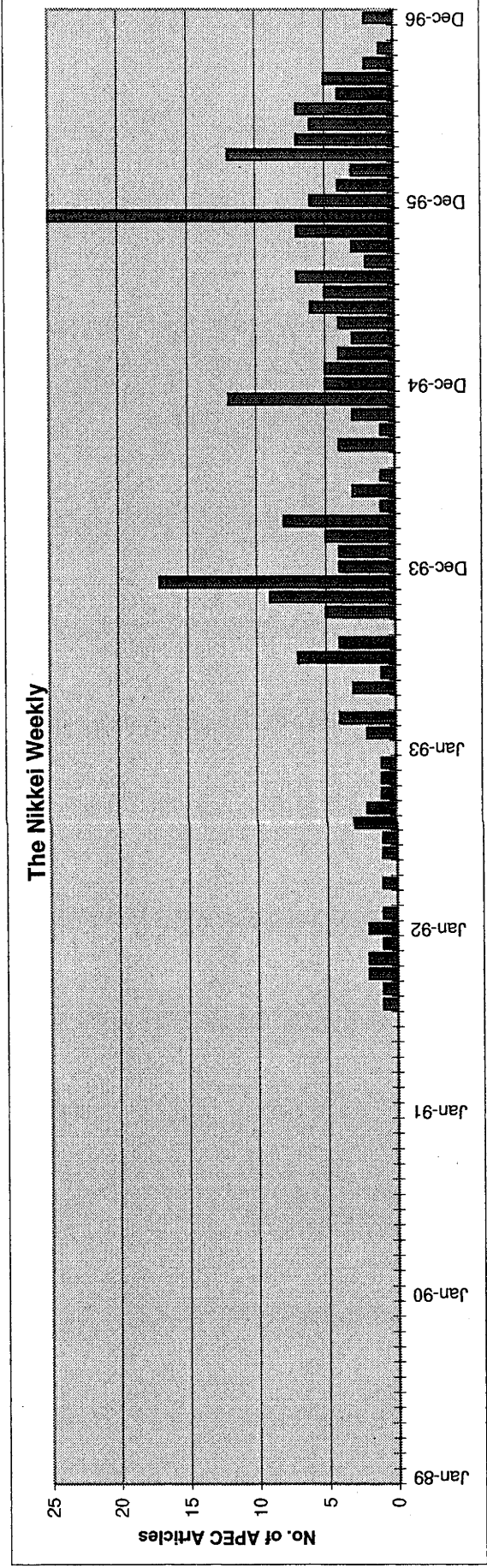
President Clinton visits Japan and South Korea during April. US-Japan security alliance renewed.

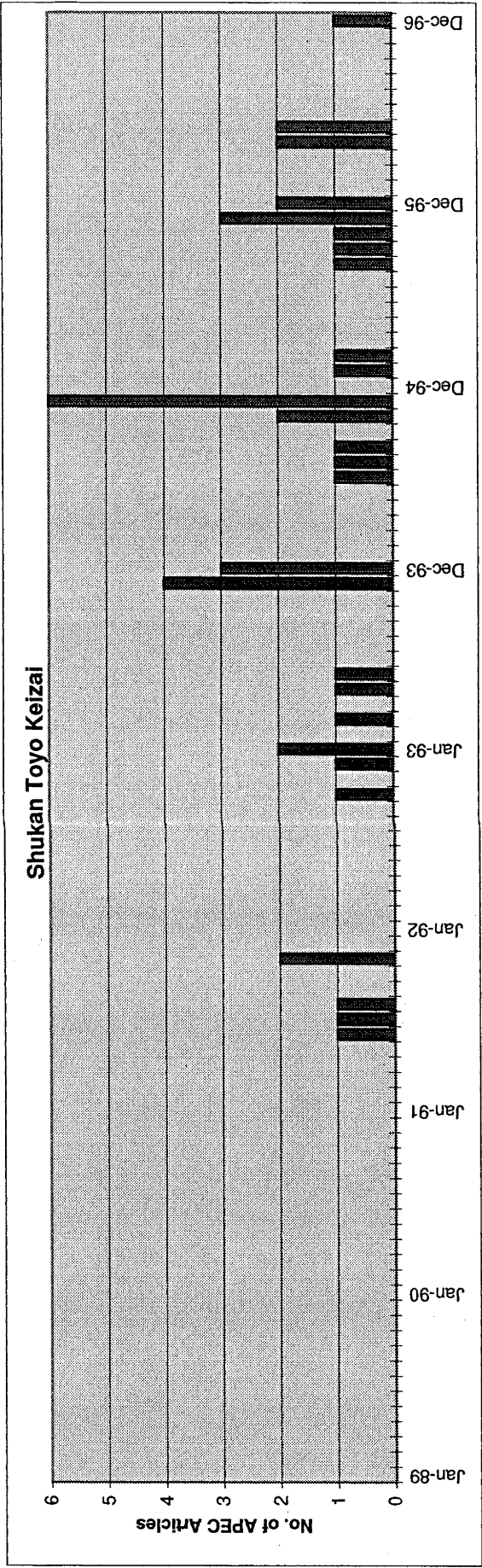
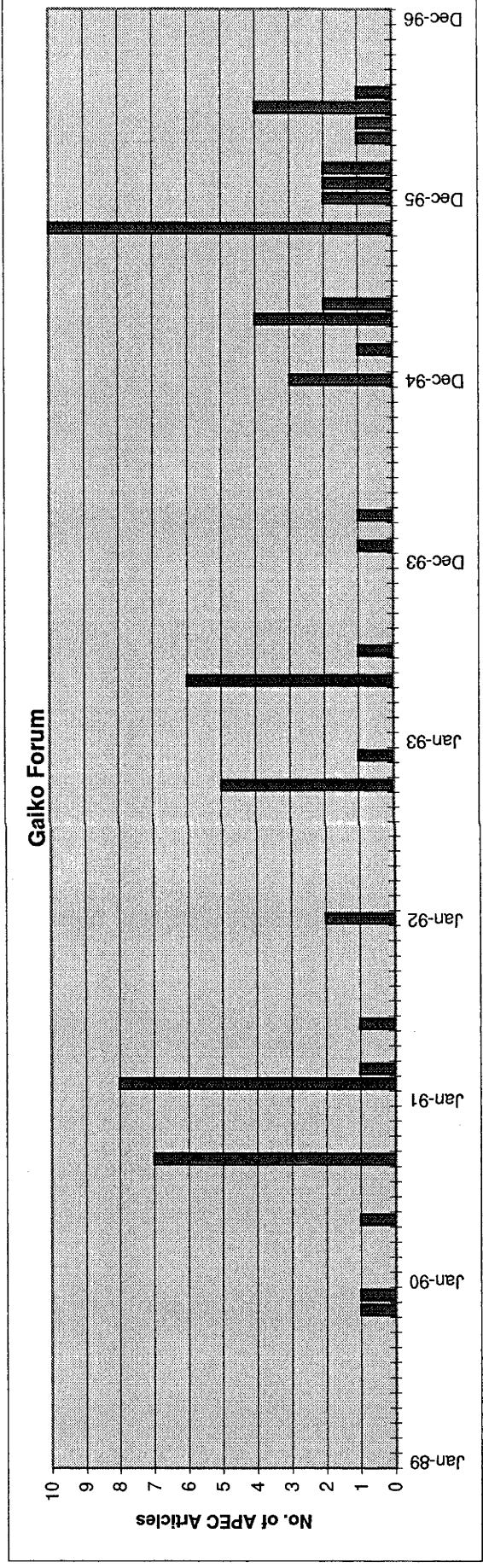
Appendix B: Graphs

Month	Number of APEC Articles			
	The Nikkei Weekly	The Japan Times	Gaiko Forum	Shukan Toyo Keizai
Jan-89		0	0	0
Feb-89		0	0	0
Mar-89		1	0	0
Apr-89		0	0	0
May-89		0	0	0
Jun-89		0	0	0
Jul-89		1	0	0
Aug-89		0	0	0
Sep-89		0	0	0
Oct-89		0	0	0
Nov-89		6	1	0
Dec-89		2	1	0
Jan-90		0	0	0
Feb-90		2	0	0
Mar-90		0	0	0
Apr-90		0	0	0
May-90		1	1	0
Jun-90		0	0	0
Jul-90			0	0
Aug-90			0	0
Sep-90		7	7	0
Oct-90			0	0
Nov-90			0	0
Dec-90		0	0	0
Jan-91		0	0	0
Feb-91		0	8	0
Mar-91		0	1	0
Apr-91		0	0	0
May-91		0	0	0
Jun-91		0	1	1
Jul-91		0	0	1
Aug-91	1	0	0	1
Sep-91	1	0	0	0
Oct-91	2	2	0	0
Nov-91	2	10	0	2
Dec-91	1	1	0	0
Jan-92	2	0	2	0
Feb-92	1	0	0	0
Mar-92	0	0	0	0
Apr-92	1	1	0	0
May-92	0	1	0	0
Jun-92	1	1	0	0
Jul-92	1	0	0	0
Aug-92	3	1	0	0
Sep-92	2	9	0	0
Oct-92	1	0	5	1
Nov-92	1	0	0	0
Dec-92	1	0	1	1
Jan-93	0	0	0	2
Feb-93	2	1	0	0
Mar-93	4	0	0	1
Apr-93	0	1	0	0
May-93	3	3	6	1
Jun-93	1	0	0	1
Jul-93	7	8	1	0
Aug-93	4	2	0	0

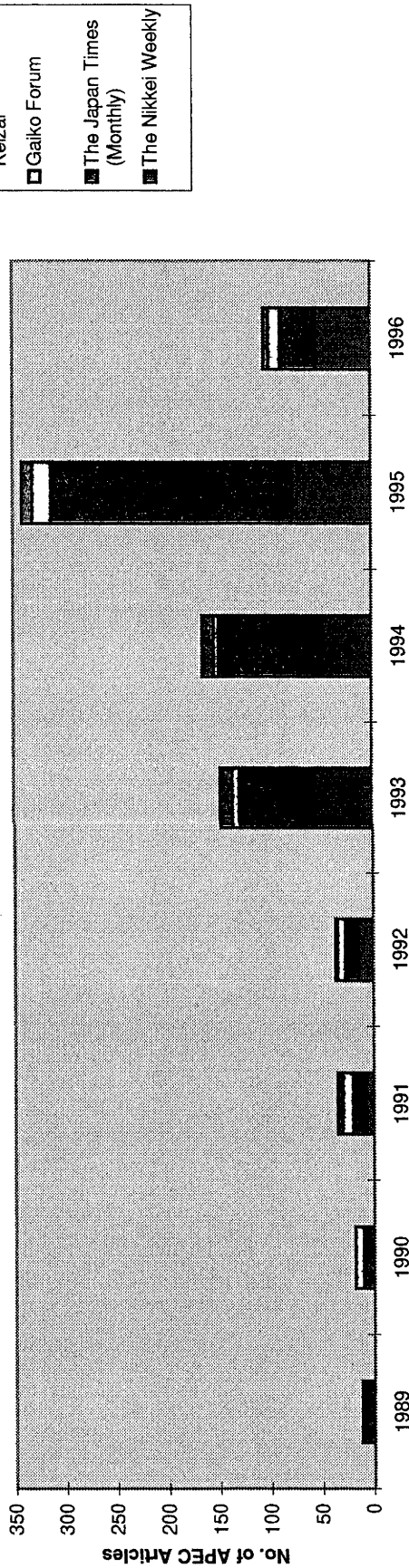
Month	Number of APEC Articles			
	The Nikkei Weekly	The Japan Times	Gaiko Forum	Shukan Toyo Keizai
Sep-93	5	4	0	0
Oct-93	9	5	0	0
Nov-93	17	47	0	4
Dec-93	4	2	0	3
Jan-94	4	2	1	0
Feb-94	5	1	0	0
Mar-94	8	8	1	0
Apr-94	1	2	0	0
May-94	3	1	0	0
Jun-94	1	2	0	1
Jul-94	0	2	0	1
Aug-94	4	6	0	1
Sep-94	1	11	0	0
Oct-94	3	18	0	2
Nov-94	12	42	0	6
Dec-94	5	7	3	0
Jan-95	5	4	0	1
Feb-95	4	10	1	1
Mar-95	3	4	0	0
Apr-95	4	12	4	0
May-95	6	12	2	0
Jun-95	5	8	0	0
Jul-95	7	8	0	0
Aug-95	2	9	0	1
Sep-95	3	15	0	1
Oct-95	7	31	10	1
Nov-95	25	115	0	3
Dec-95	6	7	2	2
Jan-96	4	2	2	0
Feb-96	3	0	2	0
Mar-96	12	5	0	0
Apr-96	7		1	2
May-96	6	7	1	2
Jun-96	7	3	4	0
Jul-96	4	9	1	0
Aug-96	5		0	0
Sep-96	2	1	0	0
Oct-96	1	8	0	0
Nov-96	0		0	0
Dec-96	2		0	1
Total	254	491	70	45
Max	25	115	10	6
Annual Summary				
1989	0	10	2	0
1990	0	10	8	0
1991	7	13	10	5
1992	14	13	8	2
1993	56	73	7	12
1994	47	102	5	11
1995	77	235	19	10
1996	53	35	11	5
Total	254	491	70	45

Note: No records available where blank

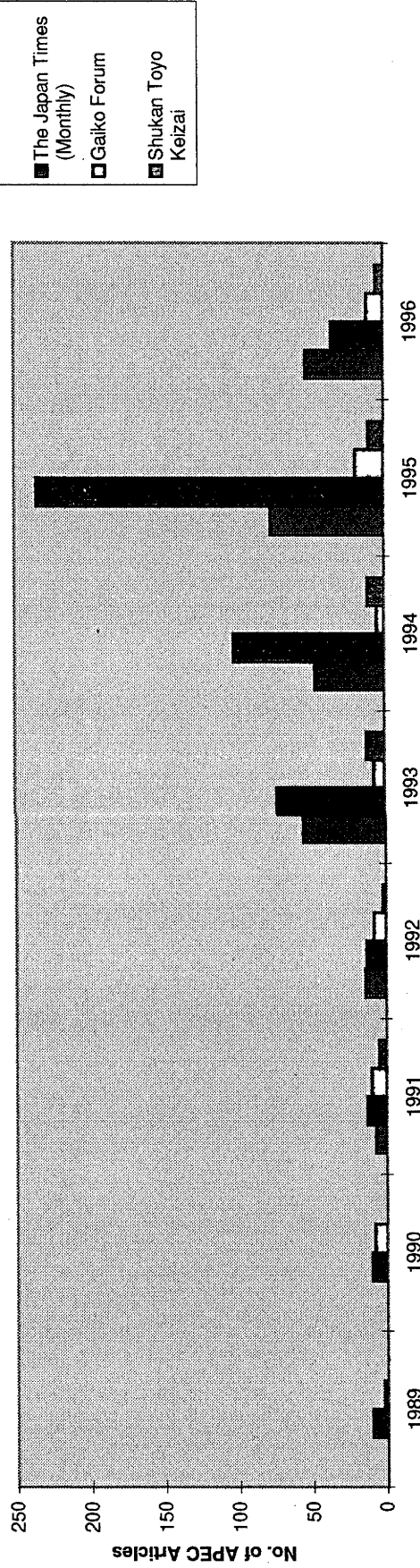




Annual Summary



Annual Summary



Appendix C: Article Titles from Surveyed Journals

The Nikkei Weekly

Data collected electronically from Reuter Business Briefing, 1996-97.

1992 (data not available prior to 1992)

January

'Asia forum cutting political teeth'

'Japanese government to promote training for APEC personnel'

February

'Summit Leaders leave hard act to follow'

April

'Government to seek permanent office for APEC'

June

'Asia Pacific Economic group to establish permanent secretariat'

July

'New Regional body to monitor damage from use of coal'

August

'Goal is strengthening economic ties in Asia Pacific region'

'Osaka lobbying to be seat of Asia forum's secretariat'

'APEC members considering summit'

September

'Leaders agree on need for strong Asia Pacific forum'

'APEC 'experiment' will dictate region's role - our view'

October

'MITI urges economics over politics in Asia'

November

'East Asia tipped to be economic driving force'

December

'Kansai sees future lying in business training - Management seminars target developing nations'

1993

February

'APEC completes transition from informal to formal'

'Japan seeking to strengthen ties in Asia'

March

'Asia card aids Keating election victory - Australian PM affirms commitment to region'

'APEC membership to expand'

'APEC sees action on trade liberalization before year-end'

'Australia asks Japan to boost regional trade'

May

'The 10 goals of the US's Asia policy as outlined by Winston Lord'

'Malaysian premier claims EAEC would foster liberalization'

'APEC mulls standardization as way to promote trade'

June

'APEC advisers claim progress in talks on economic union'

July

'ASEAN fails to agree on trade forum - ministers delay decision on how to organize trade caucus'

'Mahathir refuses to budge on APEC summit - Malaysian PM tells Suharto he won't be going'

'ASEAN to rule on East Asian trade forum'

'Leaders divided on APEC invitation'

'Clinton's Asia policy must take local sensibilities into account - our view'

'Clinton spotlights APEC in summit bid - US leaders outlines policy on Pacific Rim'

'US initiative gets mixed response in Asia'

August

'Australia looks toward Asia in economic restructuring'

'Hosokawa administration faces full slate of pressing issues - our view'

'ASEAN may expand trade forum'

'ASEAN settles rift over trade forum'

September

'Hosokawa, Kim to meet in US'

'Keating courts Washington with Asia Pacific trade pitch'

'East Asia Economic Caucus finds life - EAEC proposed amid global trend toward economic blocs'

'APEC offered joint research'

'Suharto active player on international stage - ties with US remain on shaky ground'

October

'APEC meeting seen as chance to rethink Asia'

'Asia Pacific community can become a functioning reality - our view'

'Li Peng rejects pressure on N. Korea - sees Seattle meet as chance to ease tension with US'

'Officials finalize Hosokawa trip to S. Korea'

'Jiang to hold talks with Clinton'

'ASEAN ministers agree on caucus membership - EAEC moves closer to light of day'

'Suharto to attend APEC Seattle summit'

'Jiang to hold talks with Clinton'

'Hosokawa, Clinton easygoing - so far'

November

'APEC comes of age - summit meeting seen affirming Asia as economic entity, player in new power game'

'Japan must redefine role in Asia - China, US challenge Tokyo's dominance'

'Asian unease over US role in APEC requires rethinking of region's goals - our view'

'Growth called key to Pacific cooperation'

'Thatcher raps EC protectionism, sees likelihood of free China'

'APEC majority resists target date for free trade - many prefer loose alliance to formal institution'

'Clinton lauds Hosokawa's political initiatives'

'Enter the century of the Asia Pacific - Cooperation is central to continued prosperity'

'Asian APEC nations, US differ on free-trade time goal'

'Tokyo set to play APEC mediator - US, Asian expected to take divergent stands on issues'

'MITI claims main behind-the-scenes role in group's founding'

'Evans- point man for 'middle-power' - Australian minister carries banner against protectionism'

'Australia accused on ignoring Pacific Isles'

'Malaysian trade minister to attend Seattle meeting'

'APEC - bold vision, bad vibes - free-trade proposal causes anxiety in Southeast Asia'

'New Trade vehicle on APEC agenda'

'A reprieve on US construction sanctions'

December

'Security, trade issues see major shift in focus'

'Mahathir's criticism of US strikes a chord in Asia - row with Australia underlines frustration'

'US learning art of compromise in drive to forge Asia Pacific trade community'

'Keating offers olive branch to Mahathir'

1994**January**

'Malaysia pushes free trade - Anwar pursues AFTA cause during visit to Indonesia'

'Rusli to head APEC forum'

'Bureaucratic power has origins in poor quality of politicians'

'Tokyo mulls participation in East Asian Economic Caucus - Shift in stance could strain ties with US'

February

'West accused of using human rights to stifle free trade'

'Impact of prolonged trade dispute will extend beyond Japan and the US - our view'

'Singh stresses political stability - lower import tariffs in the pipeline'

'China warning ignored as Suharto meets Lee'

'Japan must remain globally engaged - narrow focus on Asia runs risk of creating instability'

March

'Taiwan economic regeneration plan aims to turn island into Asia Pacific hub'

'Aloha spirit at APEC seen short-lived - major issues unresolved among member entities'

'Japan's tilt to Asia gaining momentum - region's integration will cause shift in global power balance'

'Agency keen to promote science's answer to APEC - region could team up for nuclear space research'

'APEC business leaders to hold forum'

'How to foster free trade in the Pacific - Umbrella organization would lead to global economic integration'

'Japan to support GATT entry of Taiwan, China at APEC'

'Policy alignment not on agenda for APEC summit'

April

'Europe's future linked with Asia - Cooperation the key to mutual prosperity'

May

'US learning art of compromise in drive to forge Asia Pacific trade community'

'Business group seeks APEC observer status'

'Concessions needed to avoid trade war with US'

June

'Southeast Asia sees prosperity in unity'

August

'APEC sets guides for foreign investment'

'APEC sets 2020 goal for free-trade pact'

'Vietnam looks for ASEAN membership in '95'

'Clinton's short shrift of Asia could bring future rift with region'

September

'Free-trade trend gathers momentum'

October

'China says GATT rejection could hurt APEC'

'Nuclear blast roils Tokyo-Beijing ties - China's test comes on heels of Taiwan leader's Japan visit'

'Aiming to resolve potential energy threat'

November

'Multilateral forum the best way to resolve Spratlys dispute'

'Casual' APEC gets stamp of formality'

'East Timor protest dims Indonesia's limelight'

'Creation of APEC free-trade zone will take discipline, flexibility'

'Broad agreement at APEC summit likely to get bogged down in the details'

'Japan fears APEC open trade unrealistic goal- Group OKs principle, but no blueprint'

'Mahathir-Suharto rift threatens APEC unity - 'Malaysian leader remains vocal opponent of regional forum'

'Japan must get off fence regarding APEC'

'US or Asia? At APEC, Japan pressed to show hand'

'Indonesia uses APEC limelight to trumpet gas venture - Exxon to sign development deal for Natuna'

'Suharto presses free trade on summit eve - Malaysia, China holding out against timetable'

'Free-trade zone to be backed - vaguely - Japan in role between Asian neighbours and US'

December

'Complacent Japan in danger of being eclipsed by others - strategic ties with US must remain strong'

'Keidanren officials step behind EAEC'

'Murayama trip to US aimed at 'relaunching' bilateral relationship'

'Mahathir presses for Asian initiatives - Premier wants trade group with or without Japan'

'APEC should return to original objectives - US efforts to reshape forum not in interests of Japan'

1995

January

'Elections needed to restore stability'

'Asia Pacific needs a Japan with backbone'

'Summit sets for softer tone for Japan-US relations'

'Cooperation sought from China, Malaysia'

'Murayama's trip to US a bid to forestall tensions - domestic concerns may distract Clinton'

February

'Japan should try to bridge gap between APEC members on trade'

'Multilateral forums are OK, but don't scrap US-Japan pact'

'In race for growth, Kyushu bets on Asia's mad-dash economies'

'Japan's APEC initiative shifts focus'

March

'Osaka shoots for sharper image - city wants to raise its international profile'

'MITI to help APEC members foster small, midsize firms'

'ASEAN trade spurring growth among members'

April

'Premier says India will push for APEC membership'

'APEC trade talks pit action against caution'

'APEC studies currency-stabilization fund-plan would rely on special drawing rights'

'Dalai Lama visit [to Japan] approved despite Chinese protest'

May

'Mondale cites hope for auto settlement'

'Aid offered for building of nuclear power plants'

'Japan fears China backlash from US's 'Taiwan Shock''

'Japan is urged to back US presence in Asia'

'Asian nations reject US demand for 'open skies''

'Murayama expressed 'deep repentance for the intolerable pain''

June

'Seeking free trade, APEC must now get down to details'

'Australian vision of Indian Ocean Council seeks to join patchwork of cultures'

'Now it's Japan's turn to welcome stopover by Taiwan's President'

'Next ambassador to US expected to be Saito'

'Taiwan President hints at desire to visit Japan for APEC meet, but chance of Tokyo OK is slim'

July

'EU 'free-ride' issue divides APEC'

'Local leaders aim to build info hub'

'Local governments boosting Kansai as future summit venue'

'APEC summit will give region a chance to show off its strengths'

'Asia will become locomotive of growth for rest of the world, Mahathir predicts'

'New groupings build up trading regime, block by block'

'Defusing domestic and cross-border tensions key to sustained prosperity'

August

'On China policy, Japan takes off kid gloves'

'Japan's job at APEC summit is to inject 'Asian way' of doing things'

September

'Another dragon roars as Malaysian economy takes off'

'APEC struggles to nail down free trade'

'Deregulation will have impact beyond Japan's borders'

October

'Expectations of APEC riding too high'

'Osaka hotels ready red carpet for APEC'

'Japan risks damage in long run by sticking to demand for rice exemption'

'Kansai spiffs up for APEC summit'

'Kim urges end to North Korea rice aid'

'As host nation, Japan criticized for divisive flip-flop'

'Murayama's SDP trapped between rock and a hard place'

November

'Malaysian Premier decides to attend Osaka summit'

'Japan expects to close APEC rift'

'Organization a big player by any measure - APEC forum'

'Osaka tightens security for APEC meet'

'Kansai firms establishing production bases in Asia'

'Japanese companies are stepping up efforts to operate on a pan-Asian scale'

'APEC - technology shift stymied by copycats'

'APEC - China to seek exemptions to liberalization'

'Background to the formation of APEC'

'Leaders to iron out differences on trade'

'APEC forum the fruit of years of preparation'

'APEC objectives'

'The Bogor Declaration'

'Osaka forum to leave free-trade vague'

'Clinton's no-show leaves its mark'

'Action agenda addresses small issues first'

'Perry urges deeper security ties among US, Japan, China'

'China poses no objection to Japan-US arms pact'

'APEC agrees to remain 'flexible' on trade'

'Unseen hand' enforces APEC free trade'

'Asia Pacific Economic Cooperation forum meeting in Osaka November'

'Australia raps US on agriculture trade'

'Despite compromises, Osaka APEC meeting can be called a success'

'Help offered to cut emissions in Asia'

'APEC opening to security issues - Formal framework unlikely, but talks held on sidelines'

December

'Asia, Europe can learn from each other'

'Japanese must learn to face security matters head-on'

'APEC says 'no' to open airline market'

'Japan expertise vital to Asia's financial growth'

'Flexibility key to success of APEC'

'Keating predicts key role for APEC in world trading system'

1996

January

'Market openings a tough sell for Manila'

'Reluctance to loosen controls leads to stop-start liberalization'

February

EAEC idea born of frustration with west'

Summit agenda caught in Bangkok jam'

March

'Mahathir visit to test ties with kinder, gentler Australia'

'ASEAN at vanguard of region's rapid growth'

'Volatility in emerging-market currencies spells danger for global currency stability'

'APEC forex agenda short on specifics'

'Thailand seeks accords for currency stabilization'

'MITI rising star hopes to shine in China'

'Greater China looms over Asian economies, alliances'

'Brazilian President's visit brings trade, aid agreements'

'For Asia-Europe summits to work, touchy issues must be addressed'

April

'National-car edict stands to hurt Indonesia's credibility abroad'

'ASEAN moves to ease investment barriers'

'Japanese couple opens home to journalists from Indonesia'

May

'Government need persistence to ensure regional teamwork'

'Ramos reaches for new peak at APEC summit'

'Leaders confident, not complacent, on growth'

'Bilateral pact could pave way for regionalism'

'Region should expand student exchanges'

June

'Group rejects trade plans - APEC officials indicate development to become more important for group'

'APEC should take opportunity to send a message for free trade'

'Japan faces balancing act with Taiwan'

'Leaders express hopes and concerns on what lies ahead for a region in dynamic change'

July

'Japanese adviser accuses US of playing 'trade games''

'Free Trade' is a tricky banner to unfurl'

'Asian investors find their niche in Australia'

Chile's exporters target Asia, slash reliance on copper'

'New trade deadline allows brief breather'

August

'Four nations blaze trail for freer trade'

'Australia seeks to embrace both US, Asia'

'Mongolian President Ochirbat seeks closer ties with US'

'Election seems likely before end of year'

'Indonesia to stay stable, Suharto vows'

September

'Japan backs Peru's APEC bid'

'APEC meeting avoids nuclear question'

October

'Japan, US to resume insurance talks'

November

(No reports!)

December

'APEC summit shows group's limitations-free trade hesitancy, lack of enforcement cloud forum's future'

'WTO seeks united front in Singapore'

The Japan Times (Bound Volume)

1989

January

- 'Australia, Japan vow partnership'
- 'Events planned to promote partnership in Asia Pacific'
- 'Australia gets more Asia-conscious'

February

- 'Hawke calls for Asia Pacific economic bloc talks'
- 'Australia asks Japan to help build forum for cooperation in Asia'
- 'Hawke, Gandhi hold talks in New Delhi; Asians told to unite'

March

- 'Asia Pacific Economic Cooperation Pact: MITI is asked to draft Asia Pacific treaty'

April

- 'Asian Leaders favour economic bloc'
- 'Idea of Asian trade bloc gaining favour'

May

- 'Australian cooperation plan divides ministries: MITI at odds with the Foreign Ministry over idea for regional economic solidarity'
- 'Japan is urged to weigh role as world trade shifts to Asia'
- 'Asia to be economic leaders, investor says'

June

- 'Pacific Rim cooperation urged: Agency envisions Asia Pacific free trade zone'

July

- 'ASEAN allies to urge economic dialogue'
- 'Pacific Rim grouping, China issue raised at Brunei talks'
- 'Envoys from ten Asia Pacific regions ask Uruguay Round wrap up in '90'

- 'Events to focus on regional exchange PP21'

August

- 'Australia slates summit talks to strengthen Asia Pacific ties'
- 'Hawke hawking to form cooperative Asia Pacific institution'
- 'Hill says she favours Asia Pacific trading group'
- 'Hong Kong to join talks in regional economic ties'

October

- 'ASEAN cool to Pan-Pacific cooperation'
- 'Asia Pacific economic meeting set'

November

- 'Twelve Pacific Rim ministers set to meet in Australia to plan formation of new bloc'
- 'ASEAN countries approve new Pacific economic area plan'
- 'Asia Pacific economic body inaugurated'
- 'Asia Pacific ministers send a message of commitment'
- 'Official travels to Australia for talks on regional trade'
- 'Pacific Rim nations mix formation of trading bloc'

December

- 'Gathering in Singapore to promote cooperation of twelve Asia Pacific states'
- 'Mexico seeks support for Asia Pacific role'

1990

February

- 'Envoy sees more need for Pacific cooperation'
- 'Japan may back Vietnam for Asia economic body'

May

'Region to cooperate on telecom projects'
(copies of *The Japan Times Bound Edition* July, August, October and November 1990 were missing)

September

'ASEAN, Canada ask Japan to open agricultural market; Diet should think again, Muto says'
'Farm trade remains problem for APEC'
'Flexibility urged in setting intellectual property rules'
'Japan's trade hit at APEC meeting'
'GATT round failure could threaten region's prosperity'
'Muto makes no concession on rice ban'
'Trade plan rejected'

1991**January**

'Malaysia's hasty plan for Asian alternative to GATT'

April

'Ramos says economic cooperation is key to Asia Pacific area's security'
'Soviet leader to propose Asia Pacific conference'
'Australian minister rejects Malaysia's trade bloc plan'
'Japan leadership urged for Asian bloc plan'
Nakao wary of East Asia bloc plan'

October

'Malaysia sets the record straight'
'Pan-Pacific traders must face reality of Asia's common interests'

November

'APEC seen evolving into political body'
'APEC to mull new memberships in Seoul meet'
'Asia needs a wider Pacific regionalism'
'Editorial: In praise of open regionalism'

'Hills in Seoul for talks on trade in Pacific Rim'

'Baker tells Asian ministers at talks US interest in region undiminished'

'Ministers set to debut at meeting in Seoul'

'MITI chief, foreign minister leave for meeting of APEC'

'Pacific Rim chiefs pledge resolve on GATT talks'

'Pacific Rim ministers urge GATT compromise'

1992**April**

'Australia, Indonesia mending their fences'

May

'Miyazawa said to back regular APEC summits'

June

'APEC agrees on permanent secretariat'

August

'Japan's plan for APEC revealed'

September

'A divided APEC gropes for a place in the world'
'Analysis: Some balk at broadening APEC forum'
'APEC may already be outdated'
'APEC ministers appeal for end to trade round'
'Asia Pacific body urges agreement in trade talks; '95 meeting in Japan'
'Four nations vie to provide a home for Economic Cooperation forum'
'Japan to voice worries over NAFTA'
'Keating to stress trade in talks with Miyazawa'
'Miyazawa backs Keating proposal for Pacific summit'

October

'US official omits Japan from list of Asia Pacific free trade candidates'

'Malaysia presses Japan on East Asian grouping'

November

'Tokyo proposes talks over trade bloc fears'

'Trade talks will be held in Seoul'

1993

February

'Japan, Australia seek to open APEC'

April

'APEC should focus on trade'

May

'Economic Impact: APEC is a vision for the Pacific century'

'Seattle APEC summit considered'

'US seeks Japan's approval to upgrade APEC to summit'

July

'APEC leaders endorse summit'

'APEC urged to strengthen'

'Asian bloc looks for a home'

'Backing seen for upgrade of APEC'

'Japan will ask ASEAN to back APEC summit'

'Malaysia rejects call for APEC summit'

'Malaysia won't attend Asia Pacific summit, Suharto heads for home'

'US airs possible APEC date'

August

'APEC: too good to be true?'

'Ecuador eyes APEC for economic ties'

September

'Informal APEC talks seen likely to proceed'

'Nations play political chess'

'Technology transfer plan to be urged at APEC meet'

'US rosy on possible Asia meeting'

October

'Jiang will meet Kim in Seattle'

'Keating urges Suharto to attend APEC summit'

'Malaysia wants ASEAN to decide on APEC's future direction'

'Panel favours free trade for Asia Pacific region'

'US sharpens focus on Pacific trade as host of APEC'

November

'APEC winds up high-level meet'

'APEC hopeful in Seattle'

'China wants APEC to avoid focusing on values and rights'

'Clinton takes the reins in guiding unprecedented meeting of APEC'

'Don't miss APEC boat, think tank tell US'

'Economic Impact: The last economic frontier'

'Editorial: The Pacific adventure begins'

'Fate of NAFTA casts shadow on APEC meet'

'Finance ministers to greet in spring'

'From the Vernacular Press: APEC perception gap'

'Gradual Asia development to be urged'

'Hosokawa APEC vision seen fighting trade blocs'

'Hosokawa will propose cultural exchange forum'

'Japan plans APEC proposal'

'Japan will urge APEC to focus on Asia business'

'Larger APEC trade role seen'

'Mahathir sticks to his vision for Asia'

'Mexico and Papua New Guinea join'

'NAFTA rejection could thrash US plans in Pacific Rim'

'Progress on trade is vital, Evans says'

'Special statement on tariff cuts expected'

'The post-Atlantic world takes shape'

'US to call for APEC fiscal unity'

'Japan aims to be mediator'

'Mixed feelings greet US moves'
 'Action on Uruguay Round urged'
 'APEC backs global trade pact plan'
 'APEC ministers urged to create
 'community''
 'APEC split on creating Pacific Rim trade
 bloc'
 'APEC summit leaders pledge to create
 closer economic ties'
 'APEC summit under way; Japan to stress
 integration'
 'Canadian prime minister plays down rifts
 with US'
 'Clinton passes up benefit concert'
 'Growth principles proposed'
 'Hosokawa restates need for stimulus'
 'Hosokawa, Goh say APEC should be
 loosely knit body'
 'Jiang says world needs China'
 'Kim, Clinton to discuss North Korean
 threat'
 'Major points of statement issued by
 APEC ministers'
 'No plan to isolate China, Clinton says'
 'Pacific leaders get to know each other at
 retreat'
 'Pacific leaders shatter the calm of Blake
 Island; Dressing for success'
 'Presidents of China, S. Korea meet,
 discuss North Korean nuclear issue'
 'US proposes trade haven in Pacific via
 APEC; Two new members'
 'APEC's economic vision statement'
 APEC Summit 'Gist of Statement'
 'Full text of declaration on APEC'

December

'Editorial: A concept with a future'
 'The EC surveys its options'
 'Tokyo to decide on EAEC next year'

1994

January

'APEC ministers to meet in March'
 'Bensten announces Hawaii APEC meet'

February

'Malaysia names representative for APEC
 panel'

March

'APEC finance ministers agree on future
 course; APEC's five principles'
 'APEC finance ministers debut Hawaii
 meeting set'
 'APEC financial meeting kicks off'
 'APEC nations ill at ease over hints US
 may delay agreed tariff cuts'
 'Fuji emphasizes capital markets'
 'Pacific Rim forecasted for 4.1 % growth
 in '94; Hosokawa address'
 'Pacific Rim nations to meet on
 environment'
 'Colombia eyes APEC membership'

April

'APEC members to meet in Osaka'
 'Japan plans to host APEC meeting'

May

'[PBEC] Council to apply to join APEC as
 an observer; Mahathir to attend'

June

'Annual business meeting set for October
 in Osaka'
 'Fujimori voices wish for APEC
 membership'
 'Malaysian Ambassador raps Japan over
 EAEC'
 'US directly states opposition to proposed
 East Asian caucus; Japan to host talks'

July

'Keating promises further integration with
 Asia'
 'Russia asks for invitation to APEC talks'
 'Japan invited to economic caucus'
 'Japan to attend luncheon on EAEC'
 'Malaysia seeks EAEC commitment'
 'The Global Perspective: Japan's quiet
 snub of EAEC makes sense'

August

'APEC official report urges trade bloc on Pacific Rim'
 'APEC panel calls for slower trade liberalization'
 'APEC urged to establish free trade by year 2000'
 'Arbitrating body urged for APEC'
 'Osaka to host APEC in '95'
 'The Global Perspective: APEC opts for intelligent liberalization'
 'EAEC idea called dead'
 'Mahathir rallies support for EAEC'
 'Malaysia continues to push for EAEC'

September

'An Asian way for APEC'
 'APEC OKs draft of investment rules'
 'APEC urged to aim for unity'
 'APEC urged to draw up specific trade plan by '95'
 'Can Keating be APEC's honest broker?'
 'Huge Asia Pacific trade zone backed in report to Suharto'
 'Japanese Perspective: Business charts course for Asia Pacific network'
 'The Global Perspective: APEC defies the odds, so far'
 'The Global Perspective: Can APEC read its roadmap?'
 'Singapore backs India in joining APEC'
 'Japan may inherit burden of trade liberalization plan pledged for APEC nations'

October

(15 titles missing)

'APEC ministers to focus on small firms'
 'Guest Forum: APEC thrashes out its goals; Japan's role by Ippei Yamazawa'
 'Japan to propose APEC energy body'
 'Malaysia reassures US on EAEC'

November

'APEC aims at free trade'

'APEC backs trade code'
 'APEC business panel seen'
 'APEC chiefs eye "immediate action"
 'APEC confirms capitalism advancing slowly but surely'
 'APEC energy meeting planned'
 'APEC is pinning high hopes on upcoming Jakarta meet'
 'APEC misses out on Asia'
 'APEC to set free trade target'
 'APEC trade bloc slow but sure'
 'APEC's ministers leave trade timetable to leaders'
 'Canada launches investment program in Indonesia'
 'Clinton spells out conditions for trade links with China'
 'Clinton urged to push Indonesian rights'
 'Declaration highlights'
 'Economic Impact: America's Asian pipe dream'
 'Economic Impact: Is APEC too ambitious?'
 'Economist weighs impact of free-trade agreement among APEC members'
 'Editorial: APEC, the bilateral dimension'
 'Editorial: Between the idea and the reality'
 'Forum to act on product standards, draft shows'
 'Full text of Bogor Declaration issued by APEC leaders'
 'Gist of statements'
 'Indonesia hopes APEC forum will help its image'
 'Japan to take subtle lead in APEC'
 'Jiang reassured of one-China policy'
 'Mahathir hits APEC's plans for free trade'
 'Mahathir Mohamad: Asia's odd man out'
 'Malaysia voices strong reservations'
 'Murayama to urge APEC to cooperate on trade'
 'Murayama, Clinton back free-trade plan'
 'South Korean President Kim to attend APEC summit'

'Taiwan official to attend summit'

'The Global Perspective: Help Indonesia to be free'

'The Global Perspective: A reversion to authoritarianism in Indonesia'

'The Global Perspective: APEC wonders if 10 years is enough'

'The Global Perspective: Bulding a real Asia Pacific community'

'The Global Perspective: Indonesia under the microscope'

'The Global Perspective: It's the East Asian economy, stupid'

'The Global Perspective: Less rhetoric, more reality for APEC'

'The Global Perspective: No reason to fear APEC'

'Tokyo to complete action guideline'

'China restates support for EAEC'

'Repay debts with leadership, not money'

December

'APEC meeting to be held in November'

'APEC states urged to see union as loose regional identity'

'Editorial Sampler: A welcome vision of the region's future'

Ex-assistant trade representative may be first US envoy to APEC'

'Firms asked to fund Osaka APEC gathering'

'Japanese Perspective: Basic economics not limited by national borders'

'The Global Perspective: Helping the weak to help themselves'

EAEC: Endorsement of EAEC urged'

1995

January

'APEC top priority for Osaka police'

'Lee won't join APEC summit; Japan tells China'

'Mahathir sets conditions for attendance at APEC summit'

'Osaka gears for APEC talks'

Frustrations increase over EAEC'

February

'APEC cooperation plan proposed'

'APEC delegates discuss trade action plan'

'APEC holds special session on free trade'

'APEC officials to meet in Fukuoka'

'APEC officials vow efforts toward Osaka session'

'EU envoy calls for APEC dialogue'

'Seki to become APEC ambassador'

'Thai chief seeks APEC initiative'

'APEC wants trade pace set by Japan bridging US'

'Tokyo to urge APEC to up developing states' assistance'

March

'APEC envoy plays balancing act'

'Canada official urges concrete trade measures'

'Japanese perspective: A practical approach to global cooperation'

'Russia to join APEC forum'

April

'APEC discusses plans to enhance trade, investment'

'APEC free-trade guidelines are sought'

'APEC meet starts with call to stabilize monetary markets'

'APEC ministers urge stability'

'APEC set to focus on capital flow'

'Finding balance in a tripolar world'

'Forums set on trade, environment'

'Japan is called on to lead green effort'

'Talks on environment, trade urged at APEC'

'The Global Perspective: APEC rightly chooses caution'

'The Global Perspective: More than good intentions required'

'US remains skeptical of economic package'

'Japan to skip Phuket talks'

'Spokesman denies EAEC participation has been rejected'

May

(11 titles missing)

'Japan urged to lead APEC'

June

'APEC advising panel to back early tariff cuts'

'APEC given draft of 'Action Agenda''

'APEC officials to work on free trade'

'APEC will implement free trade plan in 1997'

'Group seeks say in APEC forum'

'Jiang issues threat over APEC talks in Osaka'

'Ministers may visit APEC members'

'US lists major action plan for APEC summit in Osaka'

July

'APEC members back plan to expand economic cooperation'

'APEC seeks free trade consensus'

'APEC seeks heightened cooperation'

'Asia Pacific culture meeting planned'

'Collective, individual action urged to help APEC advance'

'Ministers planning to visit APEC states after election'

'Taiwan deputy leader won't get APEC invitation'

'Philippines, Japan to push free trade in Pacific Rim'

August

'Efforts mount to ensure success of Osaka's November APEC forum'

'Japan to urge APEC economic cooperation plan'

'Lee angered by Tokyo's APEC snub'

'MITI to seek APEC funds'

'Murayama mixes faster APEC trade liberalization'

'Ramos calls on APEC to counter Europe'

'Suharto vows to help APEC meeting'

'The Global Perspective: Pursue the dream of APEC'

'Green APEC proposal'

September

'All-out free trade is difficult ideal'

'APEC agrees on action program'

'APEC summit should include Lee, Taipei says'

'APEC's focus changes as Asian nation liberalize markets'

'ASEAN to work for fruitful APEC meet'

'Australia confident on APEC pact'

'Business urges APEC to adopt trade plans; Lee not invited'

'Business urges APEC to move up world trade'

'Expect change after APEC'

'Osaka castle is groomed'

'Readers are invited to APEC symposium'

'Seminar to debate China's future'

'Tokyo may cut tariffs on some tropical imports'

'US panel criticizes APEC trade outlines'

'Will Osaka burst the APEC bubble?'

October

'APEC disagreements go unresolved'

'APEC members join Osaka parade'

'APEC vague on farm trade'

'Australians say US threatens region's trade'

'Credibility of APEC on the line at Osaka'

'Editorial: APEC requires Japanese consistency'

'Farm trade thorn in APEC's side'

'Hopes high for APEC conference'

'Japan and APEC: Trade moves closer to home'

'Japan reiterates ban on Taiwan at APEC'

'Japan searches for way to break APEC logjam'

'Japan urged to take active role at APEC summit'

'Japanese Perspectives: Private sector plays key role for APEC'

'Japanese Perspectives: Understanding key for APEC progress'

'LDP explains farm stance to US'

'Most bets are off during APEC'

'Politicians may solve APEC summit problems'

'Taipei urged to change APEC envoy'

'The Global Perspective: APEC depends on political will'

'The Global Perspective: No backsliding from the Bogor commitments'

'Tokyo plan likely to draw APEC flak'

'Top execs urge action plan to reach APEC goals'

'Trade talks focus on APEC, autos'

'Youth ecology talks at APEC time set'

November

'APEC conference to remember'

'A taste of Japan - from foreigners'

'Accord was reached in many areas'

'Action Agenda gist'

'Activists set to advise APEC forum'

'Agenda's key role underlined'

'Analysis: President's decision shakes faith in US commitment'

'APEC and post-Cold War world'

'APEC chiefs exit, trade goals in hand; Philippines 'ready''

'APEC heads to start arriving in Osaka on Nov. 16'

'APEC inconveniences hard to miss'

'APEC leaders safe, police say'

'APEC marks real progress'

'APEC members fail to reach consensus on free trade'

'APEC ministers agree on Action Agenda draft'

'APEC moves towards farm trade agreement'

'APEC must not hide behind 'flexibility''

'APEC opts for Asian values'

'APEC procurement info hits Internet'

'APEC talks not just focused on liberalization: Hashimoto'

'APEC voluntary approach praised'

'ASEAN officials agree to talk more often'

'Asian peace pinned on unity of Japan, US, South Korea; 'Face up to past''

'Aum may have been planning APEC hit; Suspended sentence'

Editorial 'Australia calls for free trade; Mahathir supported; Taiwan issue'

'Brittan lauds China's plan to cut tariffs'

'Buddhists protest Lee's ban'

'Canada opposes APEC exclusions; Voluntary free trade'

'China rules out meeting with Taiwan representative'

'China to unveil liberalization plan'

'Clinton calls off meeting with Jiang'

'Clinton cancellation disappoints Osaka'

'Deal-making leaders fail at tea making'

'Delegates play musical hotels'

'Delegates play musical hotels'

'Delegates' wives tour the 'kitchen''

'East Timorese accuses Indonesia of harassment; Koreans squelched'

'Editorial: An empty chair in Osaka'

'Editorial: Making APEC work for everyone'

'Editorial: Real progress in Osaka'

'Envoy meets Lee on APEC issue'

'Espresso gets warm welcome'

'Frei confident APEC is helping Chile'

'From the Vernacular Press: An APEC opportunity'

'Goal nonbinding, Rafidah reiterates; Ramos wants council; Japan urged to look at past correctly; Jiang, Ramos meet'

'Hey guys, your job isn't done, report says; Focus on economics'

'Hotels gearing to put best foot, food forward for summiteers'

'Human rights not addressed'

'Initial Action plans of APEC members'

'Japan called weak on APEC liberalization drive'
 'Japan compromise set to end impasse'
 'Japan to maintain agriculture stance'
 'Japan unveils fund worth Y10 billion for APEC projects'
 'Japanese Perspectives: Osaka abuzz with behind-the-scenes prep work ahead of APEC meetings'
 'Kansai centre is disappointed'
 'Kantor indicates free-trade flexibility'
 'Keating seeks support for task force on security'
 'Kim, Jiang urge 'correct' understanding of history'
 'Koreans here seethe as Kim arrives'
 'Leaders push liberalization'
 'Leader's fashion sense less than keen'
 'Locals eye own agenda as leaders converge on Osaka'
 'Mahathir coming to APEC summit'
 'Maintaining momentum key to ensuring continued success'
 'Majority of APEC members enjoying steady economic growth'
 'Ministers unveil vision for APEC liberalization; Confrontation; Informal agenda'
 'Murayama hails 'new chapter' for region'
 'Murayama, Gore affirm security pact'
 'No-show may hurt future American influence over forum'
 'Nonbinding, voluntary commitments stressed'
 'Osaka '95: success or failure?'
 'Osaka makes most of spotlight'
 'Osaka nightlife turns sour'
 'Osaka security a bother for locals'
 'Policies seen as farmers' foes'
 'Post-APEC initiative urged'
 'Private sector gaining clout'
 'Prospective members in limbo'
 'Report sees liberalization bolstering APEC growth'
 'Representatives arrive, vow to cooperate'

'Seeking greener pastures'
 'Seoul seeks special deal on farm trade'
 'Singapore stokes free-trade zeal'
 'Steps forward must be taken on equal, consultative basis'
 'Successful meetings don't come cheap'
 'Talks on security possible: Murayama ; Ramos vows continuation'
 'Text of APEC ministers' joint statement'
 'Thailand steps up APEC debate'
 'The Global Perspective: APEC and the benefits of free trade'
 'The Global Perspective: APEC moves slowly toward freer trade'
 'The Global Perspective: APEC must keep its eyes on the goal'
 'The Global Perspective: Clinton's absence at APEC damages US image'
 'The Global Perspective: The long and short of APEC'
 'Time not yet ripe for talks with China: Koo'
 'Time Out: Something fishy for APEC delegates'
 'Time to revive NEATO?'
 'Trade issues left for APEC heads; Taiwan negotiator'
 'Turmoil seen easing for Yokohama'
 'Unilateral, voluntary aspects key to APEC'
 'United executive raps Japan's airline industry'
 'White House advance team arrives'
 'Will the environment survive APEC?'
 'Few interested in Osaka meeting'

Perspectives on APEC:

'Action, not rhetoric, will be the real litmus test'
 'Meeting to decide if APEC strengthens or stagnates'
 'The idiosyncrasies of East Asia must not be forgotten'

December

'An active agenda except for human rights'

'APEC direct investment up'
 'APEC hoopla over but area still upbeat'
 'Editorial Sampler: APEC's agenda tries to please everybody'
 'EU-Asia meet to be less formal than APEC, official says'
 'Japanese Perspectives: Osaka APEC meetings left great hopes for the future'
 'Japan urged to lead APEC by cutting trade barriers'

1996

January

'APEC finance execs to meet Feb'
 'APEC ministers plan Kyoto gathering'

February

'APEC-style trade eyed'

March

'APEC to push dollar'
 'Currency stability backed; Main points of joint statement; APEC ministers urge macroeconomic prudence'
 'Hanoi visitor seeks APEC backing'
 'Indonesia to aid Pakistan in effort to join APEC'
 'The WTO should take a page from APEC'

April

(Data not available)

May

'APEC eyes laws on chemical fishing'
 'APEC members agree to more liberalized trade'
 'APEC unanimous on more free trade'
 'Australian deputy chief urges Japan to keep up APEC role'
 'Businessmen named to APEC body'
 'Philippines prepare for APEC summit'
 'Ramos lauds benefits of APEC forum'

June

'APEC corporate chiefs mull trade'

'Business leaders from APEC call for freer travel, other trade reform'
 'MITI to start APEC energy studies group'

July

'APEC backs new environment actions'
 'APEC to launch study of regional energy woes'
 'APEC to mull zero tariffs on computers'
 'Free trade pledged by APEC ministers'
 'Guest Forum: APEC learns to start thinking 'green''
 'Japan wants APEC pledges on environment'
 'Public works pitched as an economic cure'
 'Ramos hails APEC summit'
 'The Global Perspective: Cut the hype about APEC'

August

(Data not available)

September

'Howard urges stronger Japan ties'

October

'APEC backs cutting 'info-tech' tariffs'
 'APEC to launch labor databases'
 'Asia Pacific execs urge APEC to liberalize laws'
 'Japanese Perspectives: It is time to face up to APEC decisions'
 'Ramos urges simpler customs rules'
 'Senior APEC officials gather in Manila'
 'The Global Perspective: Ramos should reverse ban'
 'Tokyo nixes idea for unified visa'

November

'Stagnant caucus exposes East Asia's weak points'
 'Clinton to meet Hashimoto at APEC'
 'Manila asks for help with APEC'
 'Women's conference warns of threat to food security from trade reforms'
 'APEC trade rule support to be sought'

'Manila finalizes APEC planning'
 'Ramos requests APEC information campaign'
 'Japan to seek APEC commitment on trade rules'
 'APEC forum will highlight '96 progress'
 'China, US to top Hashimoto's APEC conference agenda'
 'APEC officials set for informal talks'
 'APEC forum opens; officials fine tuning trade proposals'
 'Clinton reaffirms Asia Pacific role'
 'Japanese proposal'
 'APEC ministers meet to discuss new members'
 'APEC adopts trade plan, hits snag over info accord'
 'Ramos urges free trade'
 'Manila action plan'
 'Keating proposes political agenda for APEC forum'
 'APEC ministers pledge action - Vision affirmed, but some members wary of rapid pace'
 'Highlights of APEC declaration'
 'Japan, China ease tensions over isles'
 'US eyes deal to let China enter WTO'
 'Full text of declaration on economic cooperation'
 'Malaysia tells rich not to push poor'
 'Panel dilutes US info tech tariff proposal'
 'Kantor wants insurance row settled with Japan by December 15 deadline'
 'Clinton, Jiang plan state visits'
 'APEC protesters delayed on way to summit site'
 'Kim to visit Japan early next year'
 'Clinton calls on Japan to settle insurance row'
 'Hashimoto, Jiang stress need for stable bilateral relations'
 'Draft declaration backs China, Taiwan for WTO'
 'APEC chiefs push action. Manila declaration avoids sensitive trade issues'

'Summit affirms ventral role of business'
 'Clinton has boosted forum's profile'
 'Text of leaders' declaration'
 'Clinton - Jiang trade talks fail'
 'Clinton, Kim cordial, apart on peace talks'
 'Protesters block roads, offer APEC alternative'
 'Gist of declaration'

December

'Spread the gospel of the market economy'

Gaikō Forum

1989

'Kyōryoku kōsō to Tōnan Ajia' ('The concept of Asia Pacific Economic Cooperation & South-East Asia'), no. 14, November 1989, pp.50-55.

'1989-nen - Nihon no keizai gaikō o kaerimite' ('1989: Reviewing Japan's economic diplomacy'), no. 15, December 1989, 28-36.

1990

'Ajia Taiheiyō kara mita Nihon no anzen hoshō seisaku sono shōrai wa doo naru ka' ('From the Asia Pacific perspective, what is to become of Japan's security policy in the future?'), no. 20, May 1990, pp. 69-77.

'Ajia Taiheiyō kyōryoku no keizaiteki sokumen' ('Asia Pacific Economic Cooperation's economic side'), no. 20, May 1990, pp. 20-27.

'Beikoku no Ajia Taiheiyō kōsō' ('America's Asia Pacific concept'), no. 20, May 1990, pp. 28-35.

'20-nen no keiken kara mita Tōnan Ajia no hen yō' ('Looking at the changed appearance of South-east Asia from twenty years experience'), no. 20, May 1990, pp. 36-42.

'Ajia Taiheiyō chiiki wa sekai keizai no seichō sentaa' ('The Asia Pacific region is the worlds economic growth centre'), no. 20, May 1990, pp. 43-52

'Shindankai o mukaeru ka, Ajia Taiheiyō chiiki' ('The Asia Pacific region: do we go forward into a new stage?'), no. 24, September 1990, pp. 18-26.

1991

Feature: 'Posuto reisen to Ajia Taiheiyō no shinchyōryū' ('The post-Cold War and the Asia Pacific's new trend'), no. 29, February 1991.

'APEC no genjyō to kadai' ('APEC's current state of affairs and its task'), no. 29, February 1991, pp. 61-68.

'Uchigawa kara mita tenkanki no ASEAN' ('Looking from the inside at ASEAN's turning point'), no. 30, March 1991.

'Oosutoraria gaikō no migaru sa' ('Australia's diplomatic freedom'), no. 33, June 1991, pp. 98-99.

1992

Gareth Evans, 'Oosutoraria kara Nihon e no kitai' ('Expectations of Japan, from Australia'), no. 40, January 1992, pp. 16-19.

'Ajia ni okeru shinchitsujo keisei to Amerika' ('American and the formation of a new order in Asia'), no. 40, January 1992, p. 38-43.

'Ajia Taiheiyō gaikō no shintenkaï' ('Feature: Asia Pacific's diplomacy development'), no. 49, October 1992.

'Nichi-Bei dōmei atte koso' ('In general, it is the US-Japan alliance, indeed'), no. 49, October 1992, pp. 4-16.

'Anzen hoshō daiarogu no teishō. Nihon ni totte no ASEAN to Oseania' ('Advocating the Security dialogue/ ASEAN and Oceania to Japan'), no. 49, October 1992, pp. 16-26.

'Chūkoku wa naze baishō o hōki shita ka' ('Why did China abandon its reparations?'), no. 49, October 1992, pp. 27-40.

'Seijiteki ketsui o kōdō ni. Daishikai APEC kakuryō kaigi o oete.' ('Conducting a political resolution/ Completion of the fourth APEC Ministerial meeting'), no. 49, October 1992, pp. 41-44.

'Chiiki tōgō to Nihon no sentaku' ('Regional integration & Japan's Choices'), no. 51, December 1992, pp. 4-11.

1993

'Tōkyō sumitto ni mukete' ('Feature: Facing the Tokyo Summit'), no. 56, May 1993.

'Nihon wa Ajia Taiheiyō no daihyō toshite no kōdō o' ('Japan's conduct as an Asia Pacific model'), no. 56, May 1993, pp. 22-39.

'Sekaiteki kadai ni kokusai kyōchō wa kanō ka' ('Is there the possibility of international cooperation being a global theme?'), no. 56, May 1993, pp. 40-50.

'Ajia Taiheiyō no anzen hoshō no wakugumi kōchiku e mukete' ('Turning to building an Asia Pacific Security Framework'), no. 56, May 1993, pp. 13-21.

'Ajia keizai hatten wa tsuzuku ka.' ('Feature: Will Asia's Economic Sphere continue?'), no. 58, July 1993.

Ippei Yamazawa, 'Ajia Taiheiyō shokoku no Nihon e no kitai' ('Asia Pacific countries' expectations of Japan'), no. 58, July 1993, pp. 49-55.

1994

'Ajia Taiheiyō kyōryoku o ika ni susumeru ka' ('Feature: How to stimulate Asia Pacific Cooperation'), no. 64, January 1994.

'1995 nen no fushime ni mukatte: Ajia Taiheiyō chiiki no anzen hōshō' ('Toward the major stage of 1995: the Asia Pacific region's security'), no. 64, January 1994, pp. 12-23.

'Ajia no shiten kara no hatsugen o' ('A Proposal from Asia's Viewpoint'), no. 64, January 1994, p. 24.

'APEC kyōryoku e no shōnenba; Shiatoru kaigi o fumaete' ('Japan seeking how it can support APEC; The Seattle meeting had a crucial role'), no. 64, January 1994, pp. 40-45.

'Ōsutoraria kara no messēji: [kaihō sareta keizai renkō] e no hatten ni mukete' ('A message from Australia: Turning to the growth/development of 'an economic

alliance which has been thrown open"), no. 64, January 1994, p. 46.

'Chūgoku gaikō no yukue' ('Where will Chinese diplomacy go to?'), no. 64, January 1994, pp. 52-58.

'[Ajia-shugi] denai Ajia gaikō-o' ('We need Asian policy, not 'Asianism)'), no. 65, February 1994, pp. 52-58.

'Nichi-Bei keizai kyōgi ga tsukitsikete mono' ('Japan-US economic discussions are thrust under one's nose'), no. 67, April 1994, p. 4.

'Higashi Ajia jōsei no kagi Chūgoku' ('Feature: The key to East Asia's situation: China'), no. 68, May 1994, pp. 20-56.

'Sekai no naka no Nichi-Bei kankei.' ('Feature: the US-Japan relationship central to the world'), no. 75, December 1994, pp. 4-68.

'Kurubeki Ajia Taiheiyō jidai no Nichi-Bei anzen hoshō kyōryoku.' ('The US-Japan security relationship and the coming of Asia Pacific era'), no. 75, December 1994, pp. 4-15.

1995

'Nihon no ODA' ('Feature: Japan's ODA'), no. 78, February 1995, pp. 6-61.

'APEC no shintenkai to Nihon gaikō', ('APEC's new development and Japanese diplomacy'), no. 77, February 1995, pp. 62-72.

Terada Takashi, 'APEC ni okeru Nihon no yakuwari' ('Japan's role in APEC'), no. 79, April 1995, pp. 58-63.

'Ajia Taiheiyō o meguru keizai funsō.' ('Economic disputes surrounding the Asia Pacific') no. 79, April 1995, pp. 15-23.

'Takokukan shugi to riijyonarizumu no ryōritsu wa kanō ka' ('Can multilateralism & regionalism co-exist?'), no. 79, April 1995, pp. 24-31.

'Urugwai Raundo to wa nan datta no ka.' ('What was the Uruguay Round?'), no. 79, April 1995, pp. 44-47.

'FTAA wa chiiki shugiteki burokku de wa nai' ('Is the FTAA a regionalistic economic bloc?'), no. 80, May 1995, p. 44.

'APEC Ōsaka kaigi' ('Feature: the APEC Osaka meeting'), no. 85, October 1995, pp. 16-81.

'APEC wa keizai shikō no genten ni kaere' ('Returning to APEC's original economic goals'), no. 85, October 1995, pp. 4-6.

'[Ajia Taiheiyo bunmei] seiritsu e no jōken' ('Conditions for the creation of an 'Asia Pacific Civilization'), no. 85, October 1995, pp. 16-25.

'APEC no yakuwari wa nani ka' ('Increasing expectations of APEC's role'), no. 85, October 1995, pp. 26-35.

'Hayawakari APEC: Ōsaka kaigi wa kōnarimasu.' ('An APEC primer: prospects for the Osaka meeting'), no. 85, October 1995, pp. 37-41.

'Bijinesu ni koso APEC wa yakudatsu.' ('APEC is good for business'), no. 85, October 1995, pp. 42-53.

'Anzen hoshō wa APEC to heizon - bungyō de susumu: ARF no kadai' ('Defence and security issues of the ASEAN Regional Forum: Coexistence and Division of Labor with APEC'), no. 85, October 1995, pp. 54-60.

'Takokukan gaikō no seiki: Nihon gaikō to takokukan taiwa' ('The century of multilateral diplomacy: Japanese diplomacy and a framework for multilateral dialogue'), no. 85, October 1995, pp. 61-67.

'Nihon wa kaihō teki na shijō keishiki no sendō yaku ni nare' ('Japan as a leader in the creation of open markets'), no. 85, October 1995, pp. 68-70.

'APEC ni 'taiyō' suru node wa naku 'sodatete iku' kimochi de atare' ('Nurture' rather than 'respond to' APEC'), no. 85, October 1995, pp. 71-73.

'Datsu Ōjin-A no giron wa mō furui.' ('"Out of Europe, into Asia": an outdated slogan'), no. 85, October 1995, pp. 74-81.

'Antei ka fuantei ka? Higashi Ajia o meguru Nichi-Bei kyōryoku' ('Stable or unstable? Japan-US cooperation in east Asia') no. 87, December 1995, p. 4.

1996

Feature: 'Reisengo no gaikō wa doo kowatta ka' ('How has Diplomacy changed in the Post-Cold War era?'), no. 88, January 1996, pp. 14-71.

'[Hirakareta chiiki shugi] to sekai chitsujo' ('The need to think 'open regionalism' globally'). no. 88, January 1996. pp. 4-12.

'Muchitsujo jidai no Nihon gaikō' ('Japanese Diplomacy in an era without order'), no. 88, January 1996, pp. 14-25.

'Atarashii kenjin kaigi o APEC Ōsaka kaigi sukuku' ('Proposal for a new Eminent Persons Group: Summing Up the APEC Osaka Meeting'), no. 89, February 1996, pp. 82-91.

Feature: 'Yakudō suru Tōnan Ajia', ('South-East Asia Stirring'), no. 91, April 1996, pp. 22-75.

'Higashi Ajia o meguru kokusai kankyō to Ōshū', ('Europe and East Asia's International Environment'), no. 91, April 1996, pp. 34-44.

'Ōkii na zenshin o hatashita Ajia-Ōshū kankei', ('A Big Step Forward for Asian-European Relations (Reflections of the First ASEM)'), no. 92, May 1996, pp. 74-80.

'Futsu no hanbei shugi e no gimon', ('Doubts about the two Anti-Americanisms'), no. 93, June 1996, p. 4.

'Bōeki jiyūka to shokuryō anzen hoshū-kankyō hozen no Jiremma', ('The Dilemma of Food and Environmental Security in the Face of Trade

Liberalisation'), no. 93, June 1996, p. 49.

'APEC Ōsaka kaigi ni okeru gōl' ('From the agreement at the Osaka APEC Meeting'), no.93, June 1996, p. 67-72.

'Kokusai enerugii jōsei to IEA no yakuwa' ('Developing Energy Policy at the International Level'), no.93, June 1996, p. 73.

'Goshū no [Ajia-ka} seisaku wa kaewaranai' ('No Change in Australia's 'Asianization' Diplomacy'), no. 94, July 1996.

Shūkan Tōyō Keizai

No previous mention of APEC.

1991

'Nihon to Ajia NIEs, ASEAN, Ajia wa sekai buroku-ka no hō hatei' ('Japan and Asian NIEs, ASEAN. Asia is the world bloc's breakwater'), 29 June 1991, p. 166.

'Ajia no kao to senshin koku no kao o dō musubu ka' ('How to unite the faces of Asia and the advanced countries'), 13 July 1991, p. 78.

'Ajia to Nichi-Bei: Nichi-Bei kankei no aratano hidane: Amerika ga osoreru Nihon no Ajia shihai' ('New sparks fly between US and Japan. Japan's domination of Asia, and American fears'), 17-24 August 1991, p. 54-61.

'APEC Soūru kaigō : Ajia kyōgitai toshite honkaku hatsugi' ('APEC Seoul Meeting: Taking serious initiatives as an Asian forum'), 30 November 1991, p. 36.

1992

'Hokubei jiyū boeki-ken (NAFTA) no hoyō shugi: Haita sei o tettei kaibō suru' ('Preservation of the North America Free Trade Agreement (NAFTA) policy - A complete analysis of its exclusionary nature.'), 24 October 1992, p. 106.

'Kokusai ha nagara kowai kōshō shisei ni. [Kurinton seiken no taigai seisaku] honsha NY seminā' ('At a New York corporation seminar on Clinton's foreign policy. Taking a tough negotiating position, while maintaining an international outlook'), 26 December 1992, p. 72.

1993

'ASEAN-Miyazawa Shushō EAEC ni kyori' ('Prime Minister Miyazawa keeps his distance from the EAEC'), 30 January 1993, p. 46.

'Koyō yūsei, taiNichi seisaku wa atomawashi' ('Employment given priority, Japan policy left until later') 6 May 1993.

'Kurinton taiNichi seisaku ritsuan no tsutsu' ('Behind Clinton's draft Japan policy plans'), 22 May 1993, p. 54.

'Nihon koso ga jiyū bōeki o mamoru tame ni ketsu o nagasu chikara o motte iru?' ('Does Japan have the strength to shed blood in order to protect free trade?'), 26 June 1993, p. 58.

'Ajia kyōen: Omote butai ni tatta Chiaina Pauwaa' ('The Asia Contest: China Power takes centre stage'), 2 November, 1993.

'APEC koso nozomashii chiiki tōgō da' ('APEC as a desirable regional forum'), 2 November 1993.

'APEC ni Shiatoru kaigi Nichi-Bei wa gaki taishō ni naranai ka' ('Will America be the bully at the Seattle Meeting?'), 6 November 1993, p. 43.

'Sugata o arawasuru Ajia Taiheiyō kyodōtai' ('The Asia Pacific cooperative body shows its form'), 13 November 1993, pp. 56-60.

'Chūkoku-nanshin-saku e no taiō ga shōten ni' ('A spotlight on China's southward-advance-policy') 13 November 1993, pp. 61-65.

'Nuri-kaerareru taiAjia tōshi senryaku' ('Strategy for investment in Asia is revised'), 13 November 1993, pp. 66-67.

'Ajia kakkoku no tōshi kankyō' ('The investment outlook for Asia'), 13 November 1993, pp. 68-73.

'NAFTA hōsoku ga imi suru mono' ('The meaning of the establishment of NAFTA'), 4 December 1993, p. 3.

'APEC Sumitto: 'Taiheyō jiyū bōekiken' ni muke shizuka na ippo' ('APEC

Summit: A quiet step towards 'Pacific Free Trade Zone'), 4 December 1993, pp. 42-45.

'94nen no Nihon to sekai: Zai-Nichi tokuha-in zaidankai. Nichi-Bei-Chū ga Ajia de hari au' (Japan & the world: 1994 Delegates Round Table Discussion on Japan. Japan-USA-China competing in Asia'), 18 December 1993, p. 26-31.

1994

'Kurinton ba-atari gaikō no jimetsu' ('Clinton's popular speech: the decline of diplomacy'), 11 June 1994, p. 64.

'Monkutsuke-yō no nai EAEC' ('The non-complaining EAEC'), 30 July 1994.

'2020nen 'Shotoku hachi-bai keikau' de Amerika nami seikatsu o' ('Plan to increase income eight times by 2020; aiming for the average American lifestyle'), 30 July 1994, p. 64.

'Nihon wa EAEC no sekkyoku sankā se yo' ('Let's have Japan participate positively in the EAEC'), 27 August 1994, p. 122.

'Higashi-Ajia no gurūpu tsukuri no dorama' ('The drama behind the establishment of the East Asia Group'), 27 August 1994, p. 123.

'APEC no 'sei no byōdō' kaigi' ('The APEC meeting which treats all as equals'), & 'Henjō yo! 'saga no byōdō' rettō-koku' (Forget Rank! Developing countries as equals'), 8 October 1994, p. 92.

'ASEAN no Nikkei kigyō' ('Japanese firms in ASEAN's countries'), 15 October 1994, pp. 58-69.

'Chūgoku no kaikoku: kaihō ni takamaru kiki ishiki' ('Rising concerns with the opening of China, and Chinese reforms'), 15 October 1994, pp. 67-69.

'Amerika shudō no APEC wa seikō shinai' ('APEC-led by America won't succeed'), 12 November 1994, p. 42.

'Nammon wa rainen no Ōsaka APEC e saki-okuri. Bōeki jiyūka ni 'Tōron sansei, kakuron hantai' ('Preview of

difficult questions to be raised at next year's Osaka APEC meeting. General agreement /disagreement on various issues'), 12 November 1994, p. 92.

'Ajia no tayōsei to kaihōsei o daiji ni' ('The need to protect the diversity and openness of Asia'), 12 November 1994, p. 94.

'Nihon ni APEC wa fuyō da. Towareru gaikō no kōsō ryoku' ('APEC is unnecessary to Japan. Questioning the diplomatic strength of the concept'), 12 November 1994, pp. 96-99.

'APEC kakuryō shunō kaigi. Saki-okuri ni naru jiyūka gutaisaku' ('APEC Senior Officials-Leader's Meeting. Premature policies for the realisation of liberalisation'), 19 November 1994, pp. 70-75.

'Indonesia: Higashi-Teimō mondai mo 'keizai jūshi' de kage usureru' ('The Indonesia-East Timor problem falls in comparison to economic concerns'), 26 November 1994, p. 86.

1995

'APEC o bōeki jiyūka no sendōeki ni' ('Japan takes lead in liberalisation of trade in APEC'), 14 January 1995, pp. 92-95.

'APEC Ōsaka kaigi to Nihon no yakuwari' ('The APEC Osaka meeting and Japan's role'), 4 February 1995.

'E de miru Ajia keizai. 95nen-han 'Ajia keizai hakusho' yori' ('Looking at an illustrated version of Asian Economics: From the '95-edition of the 'Asian Economics White Paper'), 12-19 August 1995, p. 64.

'Ajia tonō kyōchō de enerugii jukyū hippaku o kaihai se yo' ('Asia and cooperation in dodging supply and demand stringency for energy'), 9 September 1995, p. 82.

'APEC Ōsaka kaigi ni yosete' ('Awaiting the Osaka APEC meeting'), 14 October 1995, p. 9.

'Shōten no APEC' ('Focus on APEC'), 11 November 1995, p. 74.

'APEC Ōsaka kaigi ga jūichigatsu juuroku-nichi ni kaimaku. Shōten wa 'nogyō' no atsukai' ('The curtain rises on the APEC Osaka meeting on 16 November. Handling the focus on 'agriculture'.), 11 November 1995, p. 74.

'[Kakehashi kokka] Nihon to APEC' ('Japan 'as a bridge', for APEC'), 11 November 1995, pp. 88-91.

'APEC shunōkaigi, Taiwan daihyō mondai' ('The APEC leaders meeting problem of Taiwan's representation'), 25 November 1995, p. 91.

'Chūgoku-Taiwan kake hiki no butai ura' ('Behind the scenes of China-Taiwan Diplomacy'), 25 November 1995.

'APEC-ryū 'kyōchōteki jiyūka' ni hazumi' ('APEC-style 'Cooperative Liberalisation' gathers momentum'), 2 December 1995, p. 54.

'APEC Ōsaka kaigi no hiniku na seikō', ('The ironic success of the Osaka APEC meeting'), 2 December 1995, pp. 42-43.

1996

'APEC no chōsen to shōrai no kadai' ('APEC challenges and future topics'), 13 April 1996, pp. 100-103.

'APEC to EAEC no shōrai' ('The future of APEC and the EAEC'), 20 April 1996, pp.148-149.

'APEC no naka de EAEC. Kōsō ga desarete iru ga, sono shōrai' wa dō naru ka' ('The EAEC in APEC. The idea has been muted, but what is its future'), 20 April 1996, p.149.

'APEC seikō ni wa zaikaijin no kyōryoku ga fukaketsu' ('Business sector cooperation is essential to APEC's success'), 27 April-4 May, 1996, pp. 102-107.

'APEC ni koshū shita Nihon gaikō no haiboku' ('A setback for Japanese pro-

APEC diplomacy?'), 27 April-4 May, 1996, p. 104.

'Nihon nuki ni odorite EAEC sankā' ('Surprising participation in EAEC without Japan'), 27 April-4 May, 1996, p. 104.

'Kakudai APEC ga '99-nen nimo hōsoku' ('The expansion of APEC starts in 1999'), 7 December, 1996, p. 56.

References

- Ajia kyōen: Omote butai ni tatta Chaina pauwaa. (The Asia Contest: China Power Takes Centre Stage), 1993. *Shūkan Tōyō Keizai*, 2 November.
- Ajia no kao to senshin koku no kao o dō musubu ka. (How to Unite the Faces of Asia and the Advanced Countries), 1991. *Shūkan Tōyō Keizai*, 13 July, p. 78.
- [Ajia-shugi] denai Ajia gaikō o. (We Need an Asian Policy, not 'Asianism'), 1994. *Gaikō Forum*, no. 65, February, pp. 52-58.
- Amerika shudō no APEC wa seikō shinai. (APEC-led by America Won't Succeed), 1994. *Shūkan Tōyō Keizai*, 12 November, p. 42.
- Ampiah, K. 1995. Japan at the Bandung Conference: The Cat Goes to the Mice's Convention. *Japan Forum*, Vol. 7, No. 1, April, 15-23.
- Anderson, B. Revised edition, 1991. *Imagined Communities* Verso, London and New York.
- APEC kakuryō shunō kaigi. Saki-okuri ni naru jiyū gutaisaku. (APEC Senior Officials-Leaders' Meeting. Premature policies for the realisation of liberalisation), *Shūkan Tōyō Keizai*, 19 November 1994, pp. 70-75.
- APEC ni Shiatoru kaigi Nichi-Bei wa gaki taishō ni naranai ka. (Will America be the Bully at the Seattle Meeting?), 1993. *Shūkan Tōyō Keizai*, 6 November, p. 43.
- APEC Ōsaka kaigi no hiniku na seikō. (The Ironic Success of the Osaka APEC meeting), 1995. *Shūkan Tōyō Keizai*, 2 December, pp. 42-43.
- APEC Wants Trade Pace Set by Japan Bridging. 1995. *The Japan Times (Bound Volume)*, 21 February.
- Asia Pacific Economic Cooperation 1994*. 1994. APEC Secretariat, Singapore.
- Asia Pacific Economic Cooperation 1995*. 1995. APEC Secretariat, Singapore.
- Asia Pacific Economic Cooperation 1996*. 1996. APEC Secretariat, Singapore.
- Asia Pacific Leaders Iron Out Accord. 1995. *The Canberra Times*, 17 November, p. 3.
- Australia Asks Japan to Help Build Forum for Cooperation in Asia. 1989. *The Japan Times (Bound Volume)*, 24 February.
- Australian, Indonesian and Japanese Approaches Towards APEC*. 1994. Australia-Japan Research Centre, Research Schools of Pacific and Asian Studies, ANU, Canberra.
- Billig, M. 1995. *Banal Nationalism*. Sage Publications. London.
- Boyd, T. (1997) 'Doubts on Asia Policy an ASEM Barrier', *The Australian Financial Review*, 23 January, p. 8.
- Camilleri, J. 1994. Asia Pacific in the Post Hegemonic World. In Mack, A and Ravenhill, J. (eds) 1994. *Pacific Cooperation: Building Economic and Security Regimes in the Asia-Pacific Region*. Allen and Unwin in association with RSPAS, ANU, Canberra, 180-208.

- Cha, S. Y. (ed.) 1994. *APEC Challenges & Opportunities*. ASEAN Economic Research Unit, Institute of Southeast Asian Studies, Singapore.
- Chūgoku no kaikoku: kaihō ni takamaru kiki ishiki. (Rising Concerns with the Opening of China, and Chinese Reforms), 1994. *Shūkan Tōyō Keizai*, 15 October, pp. 67-69.
- Clinton Cancellation Disappoints Osaka. 1995. *The Japan Times (Bound Volume)*, 17 November, p. 3.
- Coloma, R. 1997. Japan Plans S-E Asian Accord. *The Australian*, 14 January, p. 9.
- Cortazzi, H. 1993. *Modern Japan: A Concise Survey*. The Macmillan Press, London.
- Datsu Ōjin-A no giron wa mō furui. ('Out of Asia, Into Europe': An Outdated Slogan), 1995. *Gaikō Forum*, no. 85, October, pp. 74-81.
- Diplomatic Bluebook 1983, Japan's Diplomatic Activities*. 1984. Public Information Bureau, Ministry of Foreign Affairs, Tokyo.
- Diplomatic Bluebook 1987, Japan's Diplomatic Activities*. 1988. Public Information Bureau, Ministry of Foreign Affairs, Tokyo.
- Diplomatic Bluebook 1995, Japan's Diplomatic Activities*. 1996. Public Information Bureau, Ministry of Foreign Affairs, Tokyo.
- Dobbs, L. 1996. Generous Japan Leads Cambodia's Rejuvenation. *Reuter's News Service*, 25 July.
- Dobbs-Higginson, M. S. 1993. *Asia Pacific: Its Role in the New World Order*. William Heinemann, Australia.
- Don't Miss APEC Boat, Think Tanks Tell U.S. 1993. *The Japan Times, (Bound Volume)*, 14 November, p. 1.
- Drifte, R. 1996. *Japan's Foreign Policy in the 1990s From Economic Superpower to What Power?*, St Martin's Press, New York.
- Drysdale, P. 1996. The APEC Initiative: Maintaining the Momentum in Manila. *The Asia-Pacific Magazine*, May, 45-46.
- Editor's Interview with Ozawa Ichiro. 1995. *Nikkei Business*, 31 October.
- Elek, A. 1993. *Pacific Economic Co-operation: Policy Choices for the 1990s*. Centre for Strategic and International Studies, Jakarta.
- Elek, A. 1994. An Open Economic Association in the Asia Pacific: A Conceptual Framework for Asia Pacific Economic Cooperation. Paper Read at 'Australian, Indonesian and Japanese Approaches Towards APEC' Symposium, Australia-Japan Research Centre, September.
- Ellison, H. J. (ed) 1987. *Japan and the Pacific Quadrille The Major Powers in East Asia*. Westview Press, Boulder.
- Enter the Century of the Asia Pacific - Cooperation is Central to Continued Prosperity. 1993. *The Nikkei Weekly*, 15 November.
- Etō, J. 1970. A Nation in Search of Reality. *Japan Echo*, 1995. Special Issue - Japan's View of the World, 63-71.

- Fate of NAFTA Casts Shadow on APEC Meet. 1993. *The Japan Times (Bound Volume)*, 18 November, p. 1.
- Foreign Direct Investment in APEC. A survey of the Issues*. 1995. Bureau of Industry Economics, Report 95/21. Australian Government Publishing Service, Canberra.
- Frankel J. A. and Kahler, M. (eds) 1993. *Regionalism and Rivalry: Japan and the United States in Pacific Asia*. The University of Chicago Press, Chicago.
- Funabashi Y. 1995. *Asia Pacific Fusion. Japan's Role in APEC*. Institute of International Economics, Washington.
- Funabashi, Y. (ed.) 1995. *Japan's International Agenda*. New York University Press, New York.
- Garby, C. C. and Brown Bullock, M. (eds) 1994. *Japan. A New Kind of Superpower?* The Woodrow Wilson Center Press & the John Hopkins University Press, Washington.
- Garnaut, R. 1993. *Australia's Asia Pacific Journey*. RIAP Occasional Paper No. 22. Research Institute for Asia and the Pacific, University of Sydney, NSW.
- Garnaut, R. and Drysdale, P. (eds) 1994 *Asia Pacific Regionalism Readings in International Economic Relations*. Harper Educational Publishers in association with the Australia-Japan Research Centre, ANU, Canberra.
- Garnaut, R. 1993. Open Regionalism: Its Analytical Basis and Relevance to the International System. *Journal of Asian Economics*. Vol. 4.2, American Committee on Asian Economic Studies.
- Garran, R. 1995. Japan Sees Free Trade Flexibility as APEC's Strength. *The Weekend Australian*, November 25-26, p.14.
- Garran, R. and Stewart, C. 1995. Japan Backs Agriculture Free Trade Push. *The Australian*. 15 November, p. 2.
- GATT Failure Could Threaten Region's Prosperity. 1990. *The Japan Times (Bound Volume)*, 13 September.
- Gradual Asia Development to Be Urged. 1993. *The Japan Times (Bound Volume)*, 18 November, p. 3.
- Hale, D. 1996. Asian Values. *The Australian*, 6 November, p. 39.
- Hardt, J. P. & Kim, Y. C. (eds.) 1990. *Economic Cooperation in the Asia-Pacific Region*. Westview Press, San Francisco and Oxford.
- Harris, S. 1994. Conclusion: The Theory and Practice of Regional Cooperation. In Mack, A. and Ravenhill, J. (eds), *Pacific Cooperation: Building Economic and Security Regimes in the Asia Pacific Region*. Allen & Unwin in Association with the Program on International Economics and Politics, East-West Center, Hawaii, and Department of International Relations, RSPAS, ANU, Canberra.
- Hartcher, P. 1996. Japanese Adviser Accuses U.S. of Playing 'Trade Games'. *Australian Financial Review*, 16 July, p. 4. In Reuter Business Briefing, 18 July.
- Hellmann, D. C. America, APEC and the Road Not Taken: International Leadership in the Post-Cold War Interregnum in the Asia Pacific. In Yamazawa, I. and Hirata, A. (eds) 1996. *APEC: Cooperation From Diversity*. Institute of Developing Economies, Tokyo.

- Higashi Ajia jōsei no kagi Chūgoku. (The Key to East Asia's Situation: China), 1994. *Gaikō Forum*, no. 68, May, pp. 20-56.
- Higashi Ajia o meguru kokusai kankyō to Ōshu. (Europe and East Asia's International Environment), 1996. *Gaikō Forum*, no. 91, April, pp. 34-44.
- Higgott, R. 1994. APEC: A Sceptical View. In Mack, A. and Ravenhill, J. (eds), *Pacific Cooperation: Building Economic and Security Regimes in the Asia-Pacific Region*. Allen and Unwin in association with RSPAS, ANU, Canberra.
- Higuchi, K. (Developing Economies and APEC Division, Economic Affairs Bureau, Ministry of Foreign Affairs, Japan). 1996. Personal Interview, Gold Coast, QLD, 4 September.
- Hirata, A., Okamoto, J. and Ogita, T. 1996. Strategy Toward APEC: The Case of Japan. In Yamazawa, I. and Hirata, A. (eds) 1996. *APEC: Cooperation From Diversity*. Institute of Developing Economies, Tokyo.
- Hosokawa APEC Vision Seen Fighting Trade Blocs. 1993. *The Japan Times (Bound Volume)*, 9 November, p. 1.
- Ichikawa, A. 1994. Nihon ni APEC was fuyō da. (APEC is Unnecessary for Japan), *Shūkan Tōyō Keizai*, 12 November, 96-99.
- Inoguchi, T. 1991. *Japan's International Relations*. Pinter Publishers and Westview Press, London.
- Inoguchi, T. 1993. *Japan's Foreign Policy in An Era of Global Change*. Pinter Publishers, London.
- Inouchi, M. and Terada, T. 1993. Asia Pacific Economic Cooperation and Australia-Japan Relations: A Japanese Perspective. *Pacific Economic Papers*, No. 224, October.
- Intal, P. S. 1996. Comments. On Hirata, A., Okamoto, J., and Ogita, T. Strategy Toward APEC: The Case of Japan. In Yamazawa, I. and Hirata, A. (eds) *APEC: Cooperation From Diversity*. Institute of Developing Economies, Tokyo.
- Irie, K. (Counsellor (Economics), Embassy of Japan, Canberra), 1996. Personal interview, Canberra, ACT, 18 September.
- Ishihara, S. 1991. (Translated Edition.) *The Japan That Can Say No. Why Japan Will Be First Among Equals*. Simon and Schuster, New York.
- Itoh, M. 1996. Japan's Abiding *Sakoku* Mentality. *Orbis*, Spring, 235-45.
- Japan Aims to Be Mediator. 1993. *The Japan Times (Bound Volume)*, 17 November, p. 3.
- Japan as a Leader in the Creation of Open Markets. 1995. *Gaikō Forum*, No. 85, October, 68-70.
- Japan Expertise Vital to Asia's Financial Growth. 1995. *The Nikkei Weekly*, 18 December.
- Japan is Urged to Back US Presence in Asia. 1995. *The Nikkei Weekly*, 22 May.
- Japan is Urged to Weigh Role as World Trade Shifts to Asia. 1989. *The Japan Times (Bound Volume)*, 5 May.
- Japan Leadership Urged for Asian Bloc Plan. 1991. *The Japan Times (Bound Volume)*, 3 April.

- Japan Must Remain Globally Engaged: Narrow Focus on Asian Runs Risk of Creating Instability. 1994. *The Nikkei Weekly*, 14 February.
- Japan Seeking to Strengthen Ties in Asia. 1993. *The Nikkei Weekly*, 8 February.
- Japan Should Try to Bridge the Gap Between APEC Members on Trade. 1995. *The Nikkei Weekly*, 27 February.
- Japan Urged to Lead APEC by Cutting Trade Barriers. 1995. *The Japan Times (Bound Volume)*, 15 December.
- Japan Urged to Lead APEC. 1995. *The Japan Times (Bound Volume)*, 26 May.
- Japan's Basic Approach to APEC and Close Relations with Member Economies. 1995. *MOFA APEC Information*, [<http://www.nttl.co.jp/infomofa/apecinfo.html>].
- Japan's Job at APEC Summit is to Inject 'Asian Way' of Doing Things. 1995. *The Nikkei Weekly*, 7 August.
- Japan's Role in Asia-Pacific Regional Cooperation*. 1995. Text of speech given by Japan's Foreign Minister, Ministry of Foreign Affairs, Japan, July. [<http://www.nttl.co.jp/infomofa/apecinfo/www/role/mspeech/spches3.htm>].
- Japan's Security Dilemma. 1995. *The Weekend Australian*, 28-29 October, p. 30.
- Japan-US Joint Declaration on Security*, The Ministry of Foreign Affairs, Japan, [http://japan-us.tokio.co.jp/in_japan/security.html].
- Johnson, C. 1995. *Japan Who Governs? The Rise of the Developmental State*. WW Norton & Company, New York, 296-323.
- Kakehashi Kokka Nihon to APEC. (Japan as a Bridge for APEC). 1995. *Shūkan Tōyō Keizai*, 11 November, 88-91.
- Katō, T. 1996. Japan's Interaction with APEC Economies. *Look Japan*, March, 16-17.
- Kersten, R. 1996. Cultural Impasse to Free Trade. *The Australian*, 9 December, p. 11.
- Kojima, K. 1971. *Japan and a Pacific Free Trade Area*. The Macmillan Press, London.
- Kosaka, M. (ed) 1989. *Japan's Choices. New Globalism and Cultural Orientations in an Industrial State*. Pinter Publishers, London/New York.
- Kosaka, M. 1992. *Nihon Sonbō no Toki*. (Japan's Time of Crisis.) Kodansha, Tokyo.
- Kusaka, S. (Director Developing Economies and APEC Division, Economic Affairs Bureau, Ministry of Foreign Affairs, Japan). 1996. Personal interview, Gold Coast, QLD, 3 September.
- Lardy, N. 1994. *China in the World Economy*. Institute for International Economics, Washington, 116-19.
- Lebra, J. C. 1975. *Japan's Greater East Asian Co-Prosperity Sphere in WWII: Selected Readings and Documents*. Oxford University Press, Kuala Lumpur.
- Lincoln, E. J. 1993. *Japan's New Global Role*. The Brookings Institution, Washington DC.
- Low, M. 1996. Stagnation or Development? Japanese Science and Technology Before Perry. *The Asia-Pacific Magazine*, May. 33-37.

- Mack, A and Ravenhill, J. (eds) 1994. *Pacific Cooperation: Building Economic and Security Regimes in the Asia-Pacific Region*. Allen and Unwin in association with RSPAS, ANU, Canberra.
- Mahathir, M. and Ishihara, S. 1996. *The Voice of Asia. Two Leaders Discuss the Coming Century*. Kodansha International, Tokyo.
- Matsunaga, N. 1995. APEC and PECC. *Japan Review of International Affairs*, Vol. 9, No. 3, Summer, 195-198.
- McGregor, R. 1996. US, China Poised to Settle Copyright Piracy War. *The Australian*, 18 June, p. 9.
- MITI Claims Main Behind-the-Scenes Role in Group's Founding. 1993. *The Nikkei Weekly*, 15 November.
- Multilateral Forums are OK, But Don't Scrap US-Japan Pact. 1995. *The Nikkei Weekly*, 20 February.
- Murayama, T. 1995. Opening Remarks at the Press Conference by Prime Minister Murayama, T. 1995. MOFA APEC 1995 Osaka Official Information, [<http://japan.tokio.co.jp/osaka/info/murayama.html>], 19 November.
- Nagatomi, Y. 1995. Economic Regionalism and the EAEC. *Japan Review of International Affairs*, Vol. 9, No. 3, Summer, 206-211.
- Naisbitt, J. 1996. *Megatrends Asia Eight Asian Megatrends That are Reshaping Our World*. Simon and Schuster, New York.
- Nihon koso ga jiyū bōeki o mamoru tame ni ketsu o nagasu chikara o motte iru? (Does Japan have the Strength to Shed Blood in order to Protect Free Trade), 1993. *Shūkan Tōyō Keizai*, 26 June, p. 58.
- Nihon wa Ajia Taiheiyo no daihyō toshite no kōdō o. (Japan's conduct as an Asia Pacific Model, 1993. *Gaikō Forum*, no. 56, May, pp. 22-39.
- Nihon wa kaihō teki na shijō keishiki no sendō yaku ni nare (Japan as a Leader in the Creation of Open Markets), 1995. *Gaikō Forum*, no. 85, October, pp. 68-70.
- No-Show May Hurt Future American Influence Over Forum. *The Japan Times (Bound Volume)*, 17 November, p. 3.
- Nukazawa, K. 1995. APEC: A Body in Search of a Spirit. *Japan Review of International Affairs*, Vol.9, No. 3, Summer, 212-216.
- Ogura, K. 1996. Japan's Asia Policy, Past and Future. *Japan Review International Affairs*, Winter, 3-15.
- Ōkii na zenshin o hatashita Ajia-Ōshū kankei. (A Big Step Forward for Asian-European Relations), 1996. *Gaikō Forum*, no. 92, May, pp. 74-80.
- Okita, S. 1983. *Japan's Challenging Years Reflections on my Lifetime*. Australia-Japan Research Centre, ANU, Canberra.
- Ozawa, I. 1994. *Blueprint for a New Japan The Rethinking of a Nation*. Kodansha International, Tokyo.
- Palmer, N. D. 1991. *The New Regionalism in the Asia Pacific*. Lexington Books, Mass.

- Petri, P. A. 1993. The East Asian Trading Bloc: An Analytical History. In Frankel J. A. and Kahler, M. (eds) *Regionalism and Rivalry: Japan and the United States in Pacific Asia*. The University of Chicago Press, Chicago.
- Pharr, S. J. 1994. Japanese Aid in the New World Order. In Garby, C. C. and Brown Bullock, M. (eds) *Japan A New Kind of Superpower?* The Woodrow Wilson Center Press & the John Hopkins University Press, Washington.
- Lee, P.P.. 1994. Japan and the Asia Pacific Region: A Southeast Asian Perspective. In Garby C. C. and Brown Bullock, M. (eds), *Japan A New Kind of Superpower?* The Woodrow Wilson Center Press, Washington.
- Potential gains to Australia from APEC. Open Regionalism and the Bogor Declaration.* 1995. Bureau of Industry Economics, Australian Government Publishing Service. Occasional Paper 29.
- President's Decision Shakes Faith in US Commitment. 1995. *The Japan Times (Bound Volume)*, 17 November, p. 3.
- Rudner, M. 1995. APEC: The Challenges of Asia Pacific Economic Cooperation. *Modern Asian Studies*, 29, 2, 411-437.
- Sano, R. 1996. The Ambitions and Limitations of Japan's Foreign Policy in the Post-Cold War Era: Loosen the Ties or Reaffirm the US-Japan Alliance? *Institute Reports*, East Asian Institute, Columbia University.
- Scalapino, R. A. Sato, S. Wanandi, J. and Han, S. (eds.) 1988. *Pacific-Asian Economic Policies & Regional Interdependence*, *Institute of East Asian Studies*. University of California, Berkley.
- Sekai no naka no Nichi-Bei kankei. (The US-Japan Relationship is central to the world), 1994. *Gaikō Forum*, no. 75, December, pp. 4-68.
- Sheridan, G. 1997. Japan, The Unintentional Superpower. *The Australian*, 15 January, p. 11.
- Sing, L. H. 1994. *Japan's role in ASEAN Issues & Prospects*. Times Academic Press, Singapore.
- Skelton, R. 1996. Japan Goes to Asia, Where It's Cheaper. *The Sydney Morning Herald*, 27 July, p. 34.
- Storry, R. 1979. *Japan and the Decline of the West in Asia 1894-1943*. The Macmillan Press, London.
- Strong Leadership by Japan is Essential. 1995. *The Japan Times*, 16 November, p. 354.
- Sugita, Y. 1996. On the Theory of 'Fusion' in the Asia Pacific Area: To Build the New World Order After the Cold War - Yōichi Funabashi, *Asia Pacific Fusion Japan's Role in APEC*, 1995. *Osaka University of Foreign Studies Bulletin of Asia Pacific Studies*, Kansai Institute of Asia Pacific Studies, Osaka. 299-309.
- Summary of White Paper on International Trade 1996. 1996. [<http://www.jef.or.jp/news/wp1996/wp96.html>], August.
- Takenaka, H. Can Japan Glue Together Asia and the Pacific? 1995. *Japan Echo*, Winter, 18-22.
- Terada, T. (Research Scholar. Australia-Japan Research Centre, ANU). Personal interview, Canberra, ACT, 18 September.

- Teramasa, N. Japan's Place in the World. *Japan Echo*, Vol. XIX, Special Issue, 1992, 2-5.
- The Japan Times* Homepage: 1996. [<http://shrine.cyber.adjp/~jtinter/home.html>].
- Tokyo Set to Play APEC Mediator - US, Asia Expected to Take Divergent Stands on Issues. 1993. *The Nikkei Weekly*, 15 November.
- Ushio, J. 1996. 'Spread the Gospel of the Market Economy', *The Japan Times*, 7 December, p. 1.
- Watanabe, A. 1995. What is Asia-Pacific Regionalism? *Japan Review of International Affairs*, Summer, 189-94.
- Yamakage, S. 1995. Plotting APEC's Future: A Case for Holding the ASEAN Course. *Japan Review of International Affairs*, Vol.9, No.3, Summer, 199-204.
- Yamamura, K. 1994. The Deliberate Emergence of a Free Trader: The Japanese Political Economy in Transition. In Garby, C. and Brown Bullock, M. (eds) *Japan A New Kind of Superpower?* The Woodrow Wilson Center Press, Washington.
- Yamazawa, I. 1994. Regional Economic Integration in the Asia Pacific: A Japanese Perspective. Paper Presented at a Conference Entitled *Australian, Indonesian and Japanese Approaches Towards APEC*. Australia-Japan Research Centre, ANU, Canberra, 2 September.
- Yamazawa, I. 1995. Implementing the APEC Bogor Declaration. *Japan Review of International Affairs*, Vol. 9, No. 3, Summer, 178-188.
- Yamazawa, I. and Hirata, A. (eds) 1996. *APEC: Cooperation From Diversity*. Institute of Developing Economies, Tokyo.
- Yoshida, S. 1957. The Coordinates of Japan's Foreign Policy. *Japan Echo*, 1995. Special Issue - Japan's View of the World, 51-55 Translated From Kaisō Jūnen, *Recollections of Ten Years*. Shinchōsha, Tokyo, Vol.1.